THE USE OF GOVERNMENT TRANSPORTATION BY EXECUTIVE BRANCH OFFICIALS

HEARING

BEFORE THE

SUBCOMMITTEE ON GOVERNMENT MANAGEMENT, INFORMATION, AND TECHNOLOGY

OF THE

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTH CONGRESS

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THE USE OF GOVERNMENT TRANSPORTATION BY EXECUTIVE BRANCH OFFICIALS

FRIDAY, DECEMBER 29, 1995

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON GOVERNMENT MANAGEMENT,
INFORMATION, AND TECHNOLOGY,
COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:05 a.m., in room 2154, Rayburn House Office Building, Hon. Stephen Horn (chairman of the subcommittee) presiding.

Present: Representatives Horn, Davis, and Scarborough.

Staff present: J. Russell George, staff director and counsel; Harrison Fox, and Council Nedd, professional staff members; Andrew G. Richardson, clerk; Miles Romney, minority counsel; and Cherri Branson, minority professional staff.

Mr. HORN. A quorum being present, the Subcommittee on Government Management, Information, and Technology will come to order. Today's hearing is on the use of Government transportation by executive branch officials. The Federal Government runs what is, in effect, a VIP Airlines for senior Government officials.

This VIP Airlines serves not only generals and admirals, but also Presidential appointees, Federal career executives, and Members and staff from Congress. The cost of travel is often substantially more than the commercial alternative.

On February 10, 1993, President Clinton issued a memorandum to his Cabinet, to the agency heads, and White House employees concerning restricting the use of Government aircraft. His goal was to reign in the cost of Federal executive travel.

Despite the repeated Clinton administration promises to reform Government as we know it, the abuse persists. This is reflected in the lack of an economy-oriented culture, in a cost-conscious culture, among the executives who continue to support sometimes extravagant Federal travel practices.

The General Accounting Office has identified, in a series of studies it has conducted, several instances of waste, fraud, and abuse by executive branch officials. Many domestic and foreign trips that were taken by executives on federally owned aircraft duplicated commercial routes.

The General Accounting Office (GAO) reported that the VIP Airlines fare for a Los Angeles to Washington round trip was $4,752 versus a commercial government contract fare of $396 per person. The Paris to Washington fare for 12 people was $191,630 on VIP Airlines versus a commercial fare of $41,480.

Further proof of the lack of cost consciousness has been noted by the GAO. Recently, it has reported on a golf outing taken by a White House staffer on a Presidential helicopter. We in Congress need to pay more attention to the need for congressional oversight and legislative action with regard to Federal executive travel, especially in light of these documented episodes of rather extraordinary—in some cases bizarre—behavior.

Examples of this include use of military aircraft to transport U.S. Air Force General Joseph W. Ashy, an assistant, and a cat from Italy to Colorado in September 1994; White House staff member David Watkins' use of Presidential helicopters for a golfing trip; extensive and extravagant international travel—which is in various newspapers and on the media—by the Secretary of Energy, Hazel O'Leary, and her staff.

These episodes reinforce the observation that there is a culture of abuse among some Federal officials and their use of travel and related services. There needs to be a much better pre-approval system than now exists.

This hearing will consider senior executive travel policies, procedures, and reporting practices. These are set out in various government documents, which will be discussed by a few of today's witnesses.

The documents include two from the Office of Management and Budget in the Executive Office of the President—OMB Circular A–126, dated May 22, 1992; and OMB Bulletin 93–11, dated April 19, 1993.

There are also two key memorandum from the General Services Administration—Senior Federal Travel Reports compiled by the General Services Administration, and Federal Property Management Regulation 101–37.4, produced by the General Services Administration. The Office of Management and Budget requires the General Services Administration (GSA) to compile the Senior Federal Travel Reports, which list each trip that Federal executives take.

The intent of the Senior Federal Travel Report is to monitor compliance with policies and procedures concerning such senior official travel. These policies and procedures commonly insure that taxpayers pay no more than necessary. Federal aircrafts are used only for official purposes, and Federal aircraft are not used if commercial aircraft service is reasonably available.

The General Services Administration Senior Federal Travel Reports are issued twice annually. Except for the Department of Defense, GSA presumably analyzes agency data submissions to conform them to Federal policy and regulation. It then transmits the results back to each agency and the President's Office of Management and Budget.

The GSA report contains the name of each traveler, official purpose of the trip, departure point for each leg of the trip, destination of each leg, and the reimbursement cost, if required, of the airline involved. The GSA report must also contain the allocated Federal aircraft cost and corresponding commercial aircraft cost for each leg. The GSA data are almost exclusively dependent upon the agency filing.

OMB Circular A–126 establishes a requirement for agencies to submit data on senior Federal official aircraft travel. The Office of Management and Budget requires agencies to submit data on Federal aircraft travel by senior executive branch officials. The GSA's Federal Property Management Regulations codify these regulations in much more detail.

It's worth noting that the Department of Defense has no system for tracking senior executive aircraft travel across the military services. According to various studies of military travel by the Inspector General of the Department of Defense and the General Accounting Office, duplication and waste are rampant throughout the Defense establishment.

Unfortunately, the Federal system for backing up the existing policies and procedures has failed to change the lack of cost consciousness; the culture of air travel abuse continues. The American people are rightfully disgusted with these recurring personal adventures they read about or hear about on the evening news. Instead of just changing the faces, we need to change the practices.

So, then, some of the questions we're going to ask are, why hasn't this culture changed and what can be done about the responsible executives and Members of Congress to change the culture? Today we will seek the answers to those questions and options which may help change the culture and thus—the basic purpose—save the taxpayers money.

One answer to the problem is to reduce the number of aircraft and their availability. The White House has over a dozen helicopters and approximately two dozen aircraft at its disposal. Worldwide, the Department of Defense has over 500 aircraft set aside exclusively for use by both senior civilian and military officials. According to the General Accounting Office, more than 50 of these exclusive aircraft were used to ferry officials during the Gulf war.

The Federal Civilian Aircraft Fleet consists of 1,596 aircrafts, which are in addition to the Defense Department's 520. The nearly 1,600 civilian aircrafts have an annual budget of roughly $883 million, going on $1 billion.

Despite this level of airplane support—this mere $1 billion of civilian aircraft—there are also civilian contract, charter, and rental aircrafts, which cost the taxpayers an additional $200 million annually. This includes the recent rental of the previously owned MGM Grand airplane by Secretary of Energy Hazel O'Leary at the cost of $415,000 to the taxpayers.

Reductions in the VIP Airlines aircrafts have been suggested by the General Accounting Office, the chairman of the Joint Chiefs of Staff, and other observers. The Joint Chiefs have recommended a reduction of over 100 aircrafts of their 500 that are available within the Department of Defense.

Prompt action is needed to insure significant reductions in the number of these airplanes. The cost of operating the Department of Defense portion of VIP Airlines is significant. It costs on the average $380 million a year to operate. The figure was based on the average cost for fiscal year 1993 through 1995. Over 500 Defense aircrafts carried 542,000 passengers in 1993 and 501,000 in 1994.

As I noted, the President has two dozen fixed wing aircrafts and a dozen helicopters at his disposal. The number of Presidentially related helicopter flights—and that would include the President and the Vice President, First Family, staff, Cabinet, and honored guests—between January 1993 and May 1994, was roughly 1,200.

Today we're going to explore several topics. Do senior Federal executives have the need to rent luxury aircraft? Are Federal executive travel reporting systems providing complete and easily accessible information? What else, if anything, is needed? Should these VIP Airlines passengers' agency assume the full cost of the flight? Should the Air Force be the single provider of operational support aircrafts within the Department of Defense?

Today's hearing includes several witnesses commenting on aircraft use by Federal senior executives. Appearing today are Representative Roscoe Bartlett of Maryland, who has taken an active role in uncovering inappropriate use of White House helicopters; Mark Gebicke, an investigator at the General Accounting Office, who has reviewed VIP Airlines travel by senior Federal executive officials.

David Buckley, a special assistant to the Department of Defense's Inspector General, will review travel by General Joseph W. Ashy and the pattern of travel abuses within the Department of Defense. David Williams, a research director for Citizens Against Government Waste, a very helpful nonprofit executive watchdog group, will comment on Secretary of Energy O'Leary's expensive travel.

Peter Zuidema, the director of Aircraft Management Division in the General Services Administration (GSA), will discuss travel and other compilations and systems design in the Senior Official Travel Report.

Gentlemen, we thank all of you for joining us. We look forward to your testimony. I'm going to first ask Mr. Davis and Mr. Scarborough if they have an opening statement, and then we'll proceed with the witnesses.

Mr. DAVIS. Thank you, Mr. Chairman. I'm going to be very, very brief and ask the chairman's permission that my statement be included in the hearing record. I want to thank Chairman Horn for calling this meeting.

It's kind of ironic, we're here working today, but most of Congress is still on vacation and out of town. We're continuing to work and are setting an example. This is what the full Federal Government should be doing. We continue to see the Government shut down last week and this week, as well.

I want to thank the witnesses, as well, for being here today. I think what is underlying all this is the fact that there continues to be still no cost consciousness when executive personnel use aircrafts. I think it is very clear from the GAO reports, and it will be clear from the testimony today.

There seems to be a philosophy that aircrafts are provided and maintained for their use, when in fact, that is what we're planning to review. So many aircrafts are available that it is almost irresistible for executive personnel to use them, even though it's much more expensive to use that aircraft than it would be to go commercial.

For Washington users, as I take a look at the GAO report on the Observations On Travel by Senior Officials dated June 1995, the most frequent destination on the Air Force helicopters based in Washington, DC, is the flight from Andrews Air Force Base to the Pentagon; which takes about 24 minutes to travel by helicopter, at a cost of $185 to the Army, $308 to the Air Force.

However, the actual cost would be higher because all trips are round trips. In the case of the Army, the cost to get a helicopter to the Pentagon or Andrews has to be included. That makes it about $460 per flight.

Now, according to an Army travel memorandum, using the Army's own figures it's only 15 miles between the Pentagon and Andrews Air Force Base. Depending on traffic, you can get there from 15 minutes to—OK, the maximum in rush hour 50 minutes would be what it would take—whereas 24 minutes to fly there by helicopter would cost you $460.

The cost to drive from the Pentagon to Andrews in a privately owned vehicle, round trip, Government reimbursed at a rate of 30 cents a mile, is $9. According to a local taxi company, the taxi fare between the Pentagon and Andrews is about $30. Thus, for cost comparison purposes, an Army UH–1 helicopter flight would cost in excess of $400 more than the car, and an Army UH–60 helicopter trip would cost over $1,600 more than the car, yet there were literally hundreds of these flights taken last year.

How can it be so important to shave 5 or 10 minutes off the trip? Is it worth traveling by helicopter? But then again, I guess it's faster than using the HOV lanes. This is basically just a gross abuse, hitting very, very close to home.

I would also just mention today the fact that many of our congressional Representatives are taking trips abroad during this holiday season, as well, visiting embassies and asking personnel to work who have not been funded by the Congress yet; and there is some congressional abuse, as well. What applies to the executive branch should apply to Congress, as well, in terms of how we use these aircrafts.

But I think the purpose of these hearings is important. I think we're going to make a statement on behalf of the American taxpayer that utilizes and brings home cost consciousness. I once again applaud Chairman Horn for calling this hearing today and thank the witnesses. Thank you.

Mr. HORN. I thank the gentleman. I now yield to the gentleman from Florida, Mr. Scarborough.

Mr. SCARBOROUGH. Thank you, Mr. Chairman. I thank you for this important hearing. I've got to echo the remarks of Mr. Davis, that this does cut both ways. But I'm going to tell you, one of the things that absolutely shocked me, while looking through some of these documents, is the fact that the GAO's studies have shown that the President of the United States and his administration are running a VIP Airlines for their staff members that are costing the taxpayers millions and millions of dollars.

This budget debate has clearly focused on very important issues—issues such as spending and government accountability and deficit spending and where we draw the line on spending. Yet, it's amazing to me that Bill Clinton and the administration continue

to say that the Federal Government needs to spend more and more and waste more and more, and this documentation clearly shows why.

The administration, through these studies, exemplifies the culture of waste, fraud, and abuse. It has had a cumulative impact, if you take all the spending across all the agencies. It shows how we did get to be $5 trillion in debt. It shows that—again, it shows that there's just a general lack of consciousness among senior executives at the White House.

I think all of us have looked in dismay at some of the things that have been happening over at the Energy Department with Hazel O'Leary's travel. I got a couple of quotes out of some newspaper publications that I'm sure the GAO will be looking at in the future.

The Los Angeles Times reported on December 10, 1995, "On a recent trip to Pakistan, the Energy Secretary rented an MGM airplane normally used by rock stars and royal families, complete with staterooms and a standup bar." The total cost of this plane trip was $415,000, as the chairman noted, much more expensive than flying commercial.

In that same article, the Times reported, "On a week-long trip to South Africa in August, O'Leary took along 51 department employees plus an entourage of 68 business executives, academics, and others, and flew on a luxury jet occasionally used by Madonna. Photographers and video crews were hired to follow along and shoot the highlights." The cost to the taxpayers, according to the Los Angeles Times, was $560,000.

The Washington Post reported on December 12, 1995, that a tape was produced for the U.S. Ambassador to the U.N. delegation, John B. Ritch, who explained the size of the U.S. delegation traveling over to the IMAPA General Conference, "exceeded thermonuclear critical mass and threatened to vaporize our message of fiscal austerity."

So what does the administration do when they are clearly shown, not only through press reports, but by official nonpartisan Government documents, that there is a serious abuse in travel expenses? What do they do to Hazel O'Leary? This is a no-brainer.

The Washington Post, Vice President Al Gore said on December 12th, as reported by the paper after O'Leary's travels became public, "There is nobody in the Cabinet who has done a better job of cutting costs and eliminating government waste." And White House press secretary Mike McCurry stated on December 13, 1995, "The President believes she is doing a superb job as Energy Secretary."

Now, let me tell you something. Hazel O'Leary's travels and her Magical Mystery Tour across the globe is just a small portion of the waste that's going on, and yet we have an administration who is unwilling to step up to the task of cutting Government waste; and considering that we're $5 trillion in debt, considering that he has been stonewalling and doesn't want to balance the budget, I find that to be unconsciousable.

I thank the chairman for setting these important hearings at a time when many other Members are out of town. I certainly thank those that have come to testify during this holiday season on an important matter that I think, in the end, we're going to take care

of because of the work of the GAO and because of the work of the chairman.

Thank you, Mr. Chairman. I look forward to questioning the witnesses.

Mr. HORN. Thank you very much. Let me just explain the procedure. Some of you—especially GAO—are very familiar with how we operate. We do swear in all witnesses for all of our hearings, and I would ask each of you now to stand and take the oath.

[Witnesses sworn.]

Mr. HORN. Let the recorder know that all three witnesses have affirmed.

Our practice is to include your written testimony when we introduce you, so your full statement will be in the record, and then we would like you to summarize that statement in 5 minutes; which then leaves a little more time for questioning. I'm pretty liberal with that. We'll want to make out all of your comments, but summarize the key things and don't read written statements. This is what is very helpful.

So let us go down the line, first with our distinguished colleague. We're very grateful to him for the leadership effort that he has made in this area. So the gentleman from Maryland, Mr. Bartlett, please begin.

STATEMENTS OF HON. ROSCOE G. BARTLETT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND; DAVID B. BUCKLEY, SPECIAL ASSISTANT TO THE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE; MARK E. GEBICKE, DIRECTOR, MILITARY OPERATIONS AND CAPABILITIES ISSUES, NATIONAL SECURITY AND INDUSTRIAL AFFAIRS DIVISION, U.S. GENERAL ACCOUNTING OFFICE; AND DAVID E. WILLIAMS, RESEARCH DIRECTOR, CITIZENS AGAINST GOVERNMENT WASTE

Mr. BARTLETT. Thank you very much. Mr. Chairman, thank you for holding this hearing and providing an opportunity for me to testify.

Preventing waste and misuse of taxpayers' money is the issue which brings me before the committee today. At any time, but especially now when Congress is struggling to get spending by the Federal Government under control, wise stewardship of taxpayer dollars is imperative. This hearing was prompted by numerous examples of, at best questionable and worst indefensible, travel at taxpayers' expense by Government officials.

For instance, on May 24, 1994, former top White House aide David Watkins and associates used two White House military helicopters to go play golf at a course in New Market, MD, in the district that I represent, the 6th District of Maryland.

A June 1995 report by the Government Accounting Office, "Government Aircraft: Observations on Travel by Senior Officials," found excessive reliance on Government fixed wing aircraft and helicopters by senior level officials, primarily in the Defense Department, when lower-cost alternatives were available.

In August, Ruth Larson, a reporter with the Washington Times, first broke the story about the questionable traveling of Secretary of Energy Hazel O'Leary. Subsequent news media reports docu-

mented that Secretary O'Leary has spent 130 days overseas on 16 trips so far. Her travels are greatly in excess of any other domestic Cabinet Secretaries. In addition, the Secretary O'Leary's trips often involved unusually large entourages and included travel on private luxury charter jets.

I bring up these examples not to dredge up or dwell on embarrassing incidents. I believe these examples are symptoms of a system that tempts Government officials to do foolish things with taxpayers' money. The system is clearly broken and must be fixed. The purpose of this hearing, I believe properly, is identifying the problem or problems with the existing system and then fixing them.

Definitely, in the case of Mr. Watkins, but I suspect also in the other examples that I cited, the culprit is inadequate or nonexisting procedures for public disclosure. At my request, the GAO investigated whether there were any other incidents of improper staff use of White House helicopters.

The GAO Report, "White House Staff Use of Helicopters," released in July 1995, found no other incidents of inappropriate staff use of the White House helicopters. However, at the time of the Watkins incident, there was only a verbal authorization process for use of the helicopters. That is no longer the case.

However, there was and is still no required public disclosure of staff use of White House helicopters. Currently, executive branch agencies and the White House file written reports with the General Services Administration and the Office of Management and Budget. This is like asking the fox to guard the hen house.

My No. 1 recommendation to the subcommittee is to develop procedures for regular public disclosure of travel at taxpayers' expense by Government officials, whether on Government-owned fixed wing aircraft or helicopters or by commercial aircraft. I am certain that public disclosure procedures can be developed that will maintain and protect national security.

Toward that end, I look forward to hearing the testimony and recommendations by representatives of the General Accounting Office, Defense Department, General Services Administration, and Citizens Against Government Waste.

Thank you again for having this hearing and permitting me to testify.

[The prepared statement of Hon. Roscoe G. Bartlett follows:]

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Statement of Congressman Roscoe G. Bartlett

"The Use of Government Transportation by Executive Branch Officials"

Hearing by the Subcommittee on
Government Management, Information, and Technology
of the Committee on
Government Reform and Oversight
U.S. House of Representatives
2154 Rayburn HOB

December 29, 1995

Mr. Chairman, thank you for holding this hearing and providing an opportunity for me to testify.

Preventing waste and misuse of taxpayers' money is the issue which brings me before the Committee today. At any time, but especially now when Congress is struggling to get spending by the federal government under control, wise stewardship of taxpayer dollars is imperative. This hearing was prompted by numerous examples of at best questionable, and at worst indefensible travel at taxpayers' expense by government officials.

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I bring up these examples not to dredge up or dwell on embarrassing incidents. I believe these examples are symptoms of a system that tempts government officials to do foolish things with taxpayers' money. The system is clearly broken and must be fixed.

The purpose of this hearing, I believe properly, is identifying the problem or problems with the existing system and fixing them.

Definitely, in the case of Mr. Watkins, but I suspect also in the other examples that I cited, the culprit is inadequate or non-existing procedures for public disclosure. At my request, the Government Accounting Office investigated whether there were any other incidents of improper staff use of White House helicopters. The GAO report, "White House Staff Use of Helicopters," released in July 1995 found no other instances of inappropriate staff use of the White House helicopters. However, at the time of the Watkins incident, there was only a verbal authorization process for use of the helicopters. That is no longer the case. However, there was and is still no required public disclosure of staff use of White House helicopters. Currently, Executive Branch agencies and the White House file written reports with the General Services Administration and the Office of Management and Budget. This is like asking the fox to guard the hen house.

My number one recommendation to the Subcommittee is to develop procedures for regular public disclosure of travel at taxpayers' expense by government officials, whether on government-owned fixed wing aircraft or helicopters or by commercial aircraft. I am certain that public disclosure procedures can be developed that will maintain and protect national security.

Toward that end, I look forward to hearing the testimony and recommendations by representatives of the Government Accounting Office, Defense Department, General Services Administration, and Citizens Against Government Waste.

Thank you.

Mr. HORN. I thank the gentleman. I take it you can stay with us for a while?

Mr. BARTLETT. Yes.

Mr. HORN. Very good. And you're certainly welcome to join us up here after the panel is concluded.

Our next witness is David B. Buckley, the Special Assistant to the very able Inspector General of the Department of Defense. Mr. Buckley.

Mr. BUCKLEY. Thank you, Mr. Chairman. The Inspector General regrets that she is unable to be here today and asked that I represent her. I will summarize my statement for the record.

I appreciate the opportunity to testify during the investigation of the use of Government aircrafts by senior Government officials and to specifically address our investigation of the use of dedicated aircrafts to support the move of an Air Force General, Joseph W. Ashy.

We are pleased that the Department of Defense has taken critical steps to tighten its policies regarding the use of its aircraft in the wake of our investigation and the work of the General Accounting Office. Our investigation disclosed that on September 9, 1994, General Ashy, his junior enlisted aide, and the General's cat traveled on board a dedicated United States Air Force cargo plane, a C–141, from Italy to Colorado. A C–141 is capable of carrying 200 passengers or 68,000 pounds of cargo.

The plane had been dispatched empty from McGuire Air Force Base, New Jersey, to Italy. In order for it to fly non-stop with General Ashy, the Air Force twice refueled the plane in mid-air.

The cost of the trip was estimated to be $116,000, and was billed to the Air Mobility Command as a training flight. If another Federal agency would have required the same flight arrangements by the Air Force, it would have been billed for $256,000. In comparison, a single one-way commercial flight from Rome to Colorado would have cost approximately $650 at the time.

General Ashy was moving from Naples, Italy, where he was the commander, Air South—a NATO command—to Peterson Air Force Base in Colorado to become the commander of the United States Space Command. Like all members of the military, he was authorized transportation when traveling from one assignment to another. However, we found no justification for the use of this dedicated aircraft to effect the move, because commercial flights were available or the Air Force could have diverted another plane already in Europe and scheduled to return to the States that day, to pick up the General.

While we found no evidence that General Ashy himself knew that he was going to travel on a dedicated aircraft, we were most troubled by the system that unblinkingly dispatched this very expensive mode of transportation for his exclusive use. We found no one in authority who questioned the cost of generating a special air mission to move two people halfway around the world. Despite the various regulatory directives on cost consciousness, the Air Force had developed a culture consistent with the theme that "rank has its privileges"—that is, Generals deserve better—and wrote the cost off as air crew training. Personnel at the Air Mobility Com-

mand told us they believed they were following accepted military practice, and we confirmed this case was not unique.

It is difficult to assign responsibility for wasted resources solely to the Air Mobility Command personnel when their actions, though clearly insensitive to the issue of cost, were apparently driven by a perceived duty to satisfy what they understood to be General Ashy's request and to follow past practice.

After just 2 days in Colorado, General Ashy returned to Washington. This trip caused problems, as well. We found that, on September 12, General Ashy and his wife ordered a U.S. Air Force six-passenger jet and flew to Washington, DC, for his promotion ceremony and returned to Colorado the next day at an estimated cost of $5,020. A single round-trip commercial ticket would have just cost $512.

We found that General Ashy was accountable for this travel. While the travel by General Ashy and his wife was authorized by regulations, it was wasteful, because General Ashy could have arranged for his promotion ceremony at less cost. For example, General Ashy should and could have stopped in Washington en route from Naples to Colorado.

We found that General Ashy elected to have the Government fund these trips rather than bear the personal expense of a commercial ticket for his wife to fly to Washington from Texas, where she had been staying for several weeks before General Ashy left Naples. Consequently, we recommended that the Secretary of the Air Force obtain reimbursement from General Ashy in the amount of $5,020, which has been done.

We view the outcome of our investigation as beneficial. Since we began our investigation, there have been several changes to DOD policy on the use of Government aircrafts that are intended to prevent such wasteful use. The Air Force took several actions to ensure the cost effective use of training flying hours and to reduce the cost of reassignment travel.

The commander, Air Mobility Command, promulgated a new policy regarding the use of training flying hours by AMC aircraft. Numbered Air Force commanders, usually Lieutenant Generals, must now approve the use of training flying hours to accomplish other than direct training requirements. Officials believe that the increased scrutiny by senior commanders will ensure the training flying hours are used and accounted for appropriately.

In February 1995, the Chief of Staff, Air Force, disseminated new guidance restricting the use of Air Force aircrafts for reassignment travel of senior officials. In the future, dedicated Air Force aircrafts may only be used in exceptional circumstances. Additionally, the Vice Chief of Staff, Air Force, must approve the use of Air Force aircrafts dedicated for reassignment travel of senior officials.

The DOD has revised its policy on the use of Government aircrafts and air travel by senior officials. A revised policy memorandum signed by the Deputy Secretary of Defense on October 1, 1995, contains corrective action in response to the findings in our report and GAO's report.

It dictates, one, that every effort must be made to minimize military air costs. The policy memorandum states that the organization should select aircraft based on minimum cost and size necessary to

accomplish the mission, should not schedule training missions whose principal purpose would be to accommodate travel by senior DOD officials, and should emphasize advance planning so that scheduling conflicts do not dictate the use of military aircraft. Two, that rotary wing aircrafts may only be used when their cost compares favorably to ground transportation or when ground transportation would have a significant adverse impact on the ability of the senior official to effectively accomplish the purpose of the travel. And three, that required use travelers obtain prior approval from the Secretary of Defense or service secretary before using military aircraft for reassignment travel. The term, "required use travel" refers to a category of senior DOD officials that includes all four-star General or flag officers.

Required use travelers are required to use military aircraft for all official travel because of their need for continuous secure communication, personal security, or exceptional scheduling requirements dictated by frequent short-notice travel.

There is continued emphasis on adhering to the Department of Defense guidance regarding senior official travel. On December 19th, the Office of the Secretary of Defense Executive Secretariat disseminated a new policy memorandum within OSD—the Office of Secretary of Defense—and to Defense agencies stressing the need for advance planning of commercial travel to avoid short-notice requirements for military air.

In conclusion, we believe that our investigation of General Ashy's travel has resulted in heightened sensitivity to cost when providing services to senior officials and in changes to policy that will reduce, but probably not eliminate, the wasteful use of DOD aircraft. This concludes my prepared statement. Thank you.

[The prepared statement of Mr. Buckley follows:]

Hold for Release
Until Delivery
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December 29, 1995

Statement by

David B. Buckley

Special Assistant

to the

Inspector General, Department of Defense

Before the

Subcommittee on Government Management, Information and Technology

House Committee on Government Reform and Oversight

on December 29, 1995 regarding

Travel by General Joseph W. Ashy, U.S. Air Force

Mr. Chairman and members of the Subcommittee.

I appreciate the opportunity to be here today to discuss our investigation into the travel of General Joseph W. Ashy. Ms. Eleanor Hill, the Inspector General, regrets that she was unable to be here today and asked that I represent her.

On December 5, 1994, Senator Charles Grassley asked that we investigate the circumstances of General Joseph Ashy's travel from Italy to Colorado in September of that year. In response, we conducted an investigation and issued our report to interested members of Congress on June 27, 1995. Because of widespread media interest in General Ashy's flight, we also made our report available to the public at that time. Today I will summarize our findings and attempt to place them in a larger context. You should also know about the changes to DoD policy on the use of Government aircraft and air travel that have occurred as a result of that investigation.

General Ashy's Flight from Naples to Colorado

This travel was performed on September 9, 1994, pursuant to General Ashy's reassignment from Commander, Air South, a NATO command in Naples, to Commander, U.S. Space Command, a Unified Command headquartered at Peterson Air Force Base, Colorado. General Ashy, like all members of the military, was authorized transportation when traveling from one assignment to another. The problem in this case was not that General Ashy flew on a military aircraft, but that the Air Force's Air Mobility Command, or AMC, generated a C-141 mission from the United States to Naples exclusively for the purpose of transporting General Ashy, when other, more cost efficient alternatives were available. On the return leg, the C-141 was refueled in-flight twice to allow General Ashy to arrive in Colorado in time to undergo Attack Assessor training before he assumed his responsibilities as Commander, U.S. Space Command. However, we found that there was no requirement in military regulations for General Ashy to receive Attack Assessor training before he assumed command. The C-141 transported no cargo or passengers other than General Ashy, his enlisted aide, and his cat. This type of aircraft can carry up to 200 passengers or 68,000 pounds of cargo.

We reviewed the process by which this mission was planned and approved. We found no evidence that General Ashy or his subordinates in Naples had requested the special service that General Ashy received. General Ashy, throughout the inquiry, maintained that he did not request the dispatch and use of that particular aircraft. He testified he was unaware that a special mission, and not a previously scheduled flight, was transporting him until he arrived at the airport. None of the individuals we interviewed during the inquiry provided evidence that disputed General Ashy's testimony. Hence we did not hold General Ashy personally accountable for the flight.

In our interviews with Air Force officials, we found no one in authority who, during the time that the C-141 arrangements were made, questioned the cost of generating a special mission for General Ashy. We also found that there were commercial flights that were available and would have met General Ashy's requirements at less cost. We found that the commercial alternatives were not considered by officials at AMC. The failure of AMC officials to consider the cost of the C-141 mission, computed by the Air Force at $116,000, as well as the failure of these officials to consider commercial alternatives, led us to our conclusion that there is a culture within the Air Force that apparently lacks adequate cost consciousness when providing services to senior officials. Specifically, we also found that, despite the various regulatory directives on cost consciousness, AMC personnel did not independently assess whether the costs involved in General Ashy's travel were in fact reasonable before authorizing the flight. Personnel at the AMC told us they believed they were following accepted military practice in providing that type of transportation to a senior military officer. Our independent review confirmed that this case was not unique. In that context, it is difficult to assign responsibility for wasted resources solely to AMC personnel when their actions, though clearly insensitive to the issue of costs, were apparently driven by a perceived duty to satisfy what they understood to be General Ashy's request and to follow past practice.

General Ashy's Round Trip Flight from Colorado to Washington

We also examined General Ashy's round-trip travel from Colorado to Washington on September 12, and September 13, 1994. General Ashy and his wife, who had joined him in Colorado, flew to Washington to attend General Ashy's promotion ceremony from Lieutenant General to General. The ceremony was presided over by the Chief of Staff, Air Force. This travel was performed on an Air Force C-21, a military version of a Lear jet that carries up to eight passengers.

We found that General Ashy was accountable for this travel. While the travel by General Ashy and his wife was authorized by regulations, it was wasteful because General Ashy could have arranged for his promotion ceremony at less cost. For example, General Ashy should have stopped in Washington enroute from Naples to Colorado. We found that General Ashy elected to have the Government fund these trips rather than bear the personal expense of a commercial ticket for his wife to fly to Washington from Texas, where she had been staying for several weeks before General Ashy left Naples. Consequently, we recommended that the Secretary of the Air Force obtain reimbursement from General Ashy in the amount of $5020, which he has done.

Changes to DoD Policy

Overall, we view the outcome of our investigation as beneficial. Since we began our investigation, there have been several changes to DoD policy on the use of Government aircraft that are intended to prevent the wasteful use of military aircraft by senior officials of the Department of Defense.

The Air Force took several actions to ensure the more effective use of training flying hours, reduce the cost of reassignment travel, and increase the opportunity afforded to Space-Available travelers. Let me provide some details regarding those corrective measures.

The C-141 and tanker flights used to transport General Ashy from Naples to the United States were programmed as "training." While undoubtedly the crews of the aircraft received some training benefit, we found that any benefit was merely incidental to the true purpose of the flights -- transporting General Ashy. Shortly after the circumstances of General Ashy's flight became known, the Commander, Air Mobility Command, promulgated a new policy regarding the use of training flying hours by AMC aircraft. AMC Numbered Air Force Commanders, usually Lieutenant Generals, must now approve the use of training flying hours to accomplish other than direct training requirements. Officials in AMC believe that increased scrutiny by senior commanders will ensure that training flying hours are used appropriately.

During the course of our investigation, we found that a number of senior military officials had traveled on military aircraft when being reassigned to or from overseas positions, possibly when less costly alternatives were available. In February 1995, the Chief of Staff, Air Force, disseminated new guidance restricting the use of Air Force aircraft for reassignment travel of senior officials. In the future, dedicated Air Force aircraft may only be used in exceptional circumstances. Additionally, the Vice Chief of Staff, Air Force, must approve the use of Air Force aircraft dedicated for reassignment travel by senior officials.

General Ashy's flight was brought to the attention of the media by space-available travelers who were not permitted to board the C-141 in Naples. The Chief of Staff, Air Force, has made space-available travel an item of emphasis. In February 1995, he asked commanders at all levels in the Air Force and the Commanders of the Unified Commands to open flights to space-available travelers when seats are available and space-available passengers are not otherwise prohibited.

Finally, since we published our report of investigation, the DoD has revised its policy on the use of Government aircraft and air travel by senior officials. The revised policy memorandum, like its predecessor, implements Executive Branch guidance contained in OMB Circular A-126, OMB Bulletin 93-11, and the

February 10, 1993, Presidential Memorandum, "Restricted Use of Government Aircraft." The revised policy memorandum, signed by the Deputy Secretary of Defense on October 1, 1995, also contains corrective action in response to the findings in our report on General Ashy's travel and GAO's report, "Observations on Travel by Senior Officials."

Specific changes to the DoD policy include:

- Guidance requiring that every effort be made to minimize military air costs. The policy memorandum states that organizations should select aircraft based on the minimum cost and size necessary to accomplish the mission, should not schedule training missions whose principal purpose would be to accommodate travel by senior DoD officials, and should emphasize advance planning so that scheduling conflicts do not dictate the use of military aircraft.

- Guidance that rotary wing aircraft may only be used when its cost compares favorably to ground transportation, or when ground transportation would have a significant adverse impact on the ability of the senior official to effectively accomplish the purpose of the travel.

- Guidance that "Required Use travelers" obtain prior approval from the Secretary of Defense or Service Secretary before using military aircraft for reassignment travel. The term "Required Use traveler," refers to a category of senior DoD officials that includes all four-star general/flag officers. Required Use travelers are required to use military aircraft for all official travel because of their need for continuous secure communications, personal security, or exceptional scheduling requirements dictated by frequent short-notice travel.

There is continued emphasis on adhering to the DoD guidance regarding senior official travel. On December 19, the Office of the Secretary of Defense Executive Secretariat disseminated a memorandum within OSD and to Defense Agencies stressing the need for advance planning of commercial travel to avoid short-notice requirements for military air.

In conclusion, we believe that our investigation of General Ashy's travel has resulted in heightened sensitivity to cost when providing service to senior officials and in changes to policy that will reduce the wasteful use of DoD aircraft.

This concludes my prepared statement. Thank you for the opportunity to address you this morning.

Mr. HORN. Appreciate that. We will go down and have all the witnesses make their opening statement and then throw it all open to questions.

Mr. Gebicke, who is the Director, Military Operations Capabilities Issues for the National Security and International Affairs Division of the General Accounting Office. Welcome.

Mr. GEBICKE. Thank you very much, Mr. Chairman. Thank you very much for inviting us here to testify. I would like to discuss two reports that we've recently issued, the one on the staff use in the White House of helicopters and, second, some observations we have on senior Government officials traveling on Government aircraft.

Let me turn, first, to the White House staff use of helicopters. This study was prompted by Congressman Bartlett and five of his colleagues, and it really stemmed from the May 24, 1994, trip of several staffers from the White House which took a helicopter—the gentlemen took a helicopter, went to Camp David, where they stopped briefly, and then went on to a golf course where they played golf and then were ferried by helicopter back to the Washington, DC, area.

Mr. Bartlett and his colleagues asked two questions. They said the White House had reported at the time 12 trips, and they added two more subsequent to that for a total of 14, and Mr. Bartlett said, "Were there any other trips? Is this the tip of the iceberg? And were the procedures followed on May 24th?"

We spent quite a bit of time researching records at the White House and also at the Marine Corps, because the Marine Corps squadron in Quantico provides the helicopters to the President and the Vice President and the First Lady and the White House staff.

We did conclude that the 14 trips provided by the White House in fact were the only trips where White House staff had used helicopters. We went through a number of steps—and I won't elaborate here; I can do it later—to verify that information, and we are confident that there were no additional trips during the period in question.

The second question concerned the procedures in place for the May 24th trip and whether or not the procedures were followed. What we found, Mr. Chairman, that there were no written procedures for the staff's use of helicopters. In fact, the request is made orally, and the acceptance or the denial of the flight is also made orally. So, in effect, the procedures were followed, because everything was done orally.

Since we did our work—and, I guess, right subsequent to the May 24th trip, on May 31st of 1994—there was a change in policy in the White House, and it actually elevated the approval authority to the White House Chief of Staff for staff use of helicopters. It was in the White House Military Office, so it had been elevated quite a bit.

Let me turn now to the second report on operational support airlift aircraft, which are operated by the Department of Defense. As you pointed out in your opening statement, we're talking here about 500-plus aircraft that are used principally to move people, but also to move supplies on occasion.

The interesting thing to note here, Mr. Chairman, is that these aircraft are based on a wartime need, so the number of aircraft

that the DOD has in its fleet should be predicated on how many they need to fight two major regional contingencies.

There are two issues here that I'll point out very briefly. One is, how many aircraft does the DOD need in wartime? And the second question is, how do you go about using those aircraft that you have in peacetime?

Now, on the first issue, how many do we need? There are a number of studies done—about five or maybe more—that all stated, between 1993 and 1995—and these are not just GAO studies, these are DOD studies as well, that the DOD had more aircraft in its inventory than it needed.

There are also quite a few discrepancies in each of those reports about how many aircrafts the DOD actually has in its inventory. There are some definitional problems in attempting to define what an OSA aircraft actually is. At the time we did our study, we came up with the number of 520.

As you pointed out in your opening remarks, the Joint Chief of Staff has recently studied this issue, and he has come to the conclusion that DOD only needs 391 aircrafts, so that represents a reduction of 100-plus aircrafts in the current fleet, depending upon how you count them.

What the DOD next needs to figure out, and I think they've taken some steps in this regard, is when they get that fleet sized appropriately, they need to determine how much of those aircraft are excess and get rid of those aircraft; because I think all three of you gentlemen made an interesting comment, and that is, the more aircraft we have, the more we're going to use. If we don't need them, we need to cut down on how many we actually have in the fleet.

But the second part is, how should they use the aircraft in peacetime? They know how they're going to use them in wartime, but we're not often at war, fortunately. So the issue is, how do we use them in peacetime?

Mr. Buckley had pointed out a memorandum of October 1st, which we think will go a long way toward solving some of the problems that the DOD has had, in the future, on the use of this aircraft. He elaborated quite well on some of those procedures that are in place now.

They deal with such things as using the smallest plane available, not establishing a training mission just to create an opportunity for someone to use the aircraft, and important to us—because our study included quite a bit of analysis on helicopter use—is this new position that the DOD has taken with regard to comparing the cost of ground transportation to helicopter travel before you make the decision.

So what remains to be seen is how effectively this new policy will be implemented, but the actions are certainly steps in the right direction.

Mr. Chairman, that completes a summary of our work, and I would be glad to respond to questions later. Thank you.

[The prepared statement of Mr. Gebicke follows:]

United States General Accounting Office

GAO

Testimony

Before the Subcommittee on Government Management, Information, and Technology, Committee on Government Reform and Oversight, House of Representatives

For Release on Delivery
Expected at
10:30 a.m., EDT
Friday,
December 29, 1995

Travel of Government Officials on Government Aircraft

Statement of Mark E. Gebicke, Director, Military Operations and Capabilities Issues, National Security and International Affairs Division

GAO/T-NSIAD-96-85

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss our reports on (1) the White House staff's use of military helicopters and (2) government aircraft used to transport senior-level military and civilian officials. I will highlight the key findings from these reports and then discuss each finding more specifically.

RESULTS IN BRIEF

In response to a congressional request, we reported in July that, as previously disclosed by the White House, staff members had flown in military helicopters 14 times during the first 16 months of the current administration, without accompanying the President, Vice President, First Lady, wife of the Vice President, or Heads of State.[1]

In response to another congressional request, we reported in June on government aircraft used to transport senior-level military and civilian officials.[2] Department of Defense (DOD) policy states that the military services' operational support airlift (OSA) inventory of fixed-wing aircraft--which, among other things, are used to transport senior-level military and civilian officials--should be based solely on wartime requirements. However, DOD had not provided central guidance on how the services should count their OSA aircraft or

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[1]White House: Staff Use of Helicopters (GAO/NSIAD-95-144, July 14, 1995).

[2]Government Aircraft: Observations on Travel by Senior Officials (GAO/NSIAD-95-168BR, June 5, 1995).

determine their wartime requirements, leaving each service to independently establish its own requirements. Our analysis showed that the April 1995 OSA inventory of 520 fixed-wing aircraft was about 10 times larger than the number of OSA aircraft used in theater during the Persian Gulf War. In addition, the Army and Air Force helicopters located in the Washington, D.C., area were not justified based on OSA wartime requirements and DOD senior travelers' most frequent helicopter flight was to or from Andrews Air Force Base, Maryland, located about 15 miles from the Pentagon. In response to recommendations made in our report, the Joint Chiefs of Staff completed a study which recommends a reduction in the number of OSA aircraft to 391, and DOD strengthened the policy governing the use of OSA aircraft, including helicopters, by senior-level travelers.

Regarding civilian agency aircraft used to transport senior-level officials, we reported that only 19 of 1,500 aircraft operated by the various civilian agencies were used to routinely transport senior-level officials.

WHITE HOUSE STAFF'S USE OF HELICOPTERS

In 1994, six Members of Congress[3] expressed concern about a White House official's use of a military helicopter to visit Camp David and a golf course on May 24, 1994. Accordingly, we were asked to determine (1) the frequency of helicopter flights by White

[3]Representatives Bartlett, Gingrich, Clinger, Armey, Camp, and now-retired Representative Michel.

House staff from January 21, 1993, to May 24, 1994, and (2) whether applicable White House procedures were followed in requesting and approving the May 24 trip to Camp David and the golf course.

Since 1976, the Marine Corps HMX-1 Squadron in Quantico, Virginia, has been responsible for providing helicopter support to the White House. The squadron is specifically tasked to fly the President, Vice President, First Lady, wife of the Vice President, and visiting Heads of State. White House staff may be authorized to use HMX-1 helicopters when they are directly supporting the President, Vice President, First Lady, and wife of the Vice President or conducting immediate White House activities. Manual records of flights taken by, or in support of, the President, Vice President, First Lady, wife of the Vice President, or Heads of State, are maintained at the squadron's Quantico facilities.

Staff Use of Helicopters

According to HMX-1 manual records, approximately 1,200 flights were flown in support of the President, Vice President, First Lady, wife of the Vice President, and Heads of State during the 16 months before May 24, 1994. These records indicated that, as previously disclosed by the White House, staff members flew in military helicopters 14 times without the President, Vice President, First Lady, wife of the Vice President, or Heads of State during this period. We performed several tests, which I will discuss, to verify the completeness and accuracy of the HMX-1 manual records. Our work did not identify any

additional White House staff flights.

We reviewed approximately 1,200 manual records (HMX-1 after-action reports) of flights by or in support of the President, Vice President, First Lady, wife of the Vice President, and Heads of State. The after-action report, which is filed by the pilot, identifies the passengers, an itinerary, and the flight crew and is retained by the HMX-1 White House Liaison Office in Quantico. Among the after-action reports we examined were the 14 flights previously reported by the White House as the only flights taken by White House staff when the President, Vice President, First Lady, wife of the Vice President, or Heads of State were not on board. According to officials from the White House Military Office and the HMX-1 Squadron and an associate counsel to the President, the after-action reports we reviewed covered all White House-related flights between January 21, 1993, and May 24, 1994.

How we did our work

We performed four tests to independently verify the completeness and accuracy of the manual records maintained by the HMX-1 Squadron. As our first test, we compared the President's itinerary, as reported in the Weekly Compilation of Presidential Documents, with HMX-1 after-action reports. We then listed instances in which the President had traveled but no after-action reports existed. A White House official then provided us documents from the Presidential Diarist and the Secret Service. These documents verified that the President had used other forms of transportation on the days in question.

Next, we compared the records maintained at HMX-1 with the flight records in the Navy's automated Naval Flight Record Subsystem. This database is part of a larger automated flight record system used to track and manage all naval aircraft flights. The database is maintained by the Navy and the Marine Corps and contains flight information provided by pilots after each flight. The automated data we obtained covered 6,120 flights of HMX-1 aircraft from January 21, 1993, to May 24, 1994. We found the records maintained at HMX-1 to be more complete than those maintained in the database.

Third, during our review of the previously reported 14 White House staff flights, we found that 10 had a squadron-specific mission purpose code. According to a Marine Corps official, pilots are to assign this HMX-1 squadron-specific mission purpose code to all flights for logistical support of an executive aircraft, as well as any flight by White House staff that is not directly associated with a flight taken by the President, Vice President, First Lady, wife of the Vice President, or Heads of State. We searched the automated database for all flights with this specific code and found 72 more flights. Of the 72 flights, 34 were included in the records we had reviewed at HMX-1. The remaining 38 flights had no after-action reports. Because it was unclear whether after-action reports should have been completed for the 38 flights, we asked for clarification. We ultimately confirmed why the 38 flights had not been included in the flight records we reviewed at the HMX-1 Squadron. Some flights with no after-action reports included flights to and from contractors for maintenance, flights to test facilities, and support for presidential travel.

As one last check that the squadron had not inadvertently omitted a flight from the after-action reports we had reviewed, we interviewed 52 pilots still assigned to the squadron who had flown a White House mission during the 16-month period of our review. In the presence of officials from the White House and the HMX-1 Squadron, we asked the pilots if they had ever flown a White House mission without filing an after-action report. All the pilots said that they always filed after-action reports when they flew missions in support of the White House.

Approval Procedures for the May 24, 1994, Trip

At the time of the May 24 trip to Camp David and a golf course, White House policy required that White House Military Office officials approve all HMX-1 helicopter travel by White House staff. The former Deputy Director of the White House Military Office stated that he had approved the use of an HMX-1 helicopter for the May 24 trip. However, no written procedures detailed how such flights were requested or approved. White House Military Office officials told us that the infrequency of helicopter use by the White House staff made written policies and procedures unnecessary; each request had to be considered on an individual basis. The former Deputy Director also told us that the request and approval for helicopter service for the May 24 trip, like most requests for helicopter service, were made orally.

Shortly after the May 24 trip, the White House changed the approval authority for staff's use of military aircraft. According to a May 31, 1994, memorandum, the approval

authority was elevated from the level of the Deputy Director of the White House Military Office to the White House Chief of Staff or the Deputy Chief of Staff. For trips that involve the Chief of Staff, the approving authority is now either the White House Counsel or the Deputy White House Counsel. Now let me turn to the issue of senior-level officials traveling on government aircraft.

TRAVEL BY SENIOR OFFICIALS ON GOVERNMENT AIRCRAFT

Approximately 500 fixed-wing airplanes and 100 helicopters are used for DOD's OSA mission, which includes transporting senior-level officials in support of command, installation, or management functions. The Secretary of Defense has designated some DOD senior-level travelers as required use travelers (1) because of their continuous requirement for secure communications, (2) for security, or (3) for responsive transportation to satisfy exceptional scheduling requirements. However, the military department secretaries may apply more stringent restrictions in determining which four-star officers within their respective departments must use these aircraft. DOD policy excludes some aircraft, such as those assigned to the Air Force 89th Military Airlift Wing, from the OSA mission. The 89th Wing provides worldwide airlift support for the President, Vice President, and other high-level officials in the U.S. and foreign governments.

The Office of Management and Budget has made the General Services Administration (GSA) responsible for managing civilian agencies' aircraft programs. DOD, like the

civilian agencies, is required to report data to GSA semiannually on senior-level, civilian officials' travel.

April 1995 OSA Inventory Is 10 Times Greater Than Number of OSA Aircraft Used in the Persian Gulf War

DOD's policy states that the OSA inventory of fixed-wing aircraft should be based solely on wartime requirements. During our review, however, we found that each service had established its own wartime requirements based on differing definitions and methodologies. As of April 1995, the services reported 520 fixed-wing aircraft in DOD's OSA inventory. Our review showed that only 48 OSA aircraft were used in theater during the Persian Gulf War, which is less than 10 percent of the April 1995 OSA inventory.

In 1994, the Air Force determined that its OSA inventory exceeded its wartime requirements, whereas the Army, Navy, and Marine Corps determined that their OSA inventories were slightly less than wartime requirements. However, a February 1993 report on Roles, Missions, and Functions issued by the Chairman of the Joint Chiefs of Staff and the May 1995 report of the Commission on Roles and Missions of the Armed Forces indicated that the existing number of aircraft dedicated to OSA missions had been and continued to be excessive.

To correct this problem, we recommended in our June report that the Secretary of Defense (1) provide uniform guidance to the services concerning how to compute OSA

wartime requirements, (2) develop the appropriate mechanisms to ensure the availability of each service's aircraft to help fulfill the OSA needs of the other services, and (3) reassign or otherwise dispose of excess OSA aircraft. Additionally, in our September report on the 1996 DOD operation and maintenance budget, we recommended that Congress direct the Air Force to reduce its OSA inventory to its wartime requirements, which would save $18.1 million in operation and maintenance costs.[4]

To address the recommendations in our June report, the Joint Chiefs of Staff studied OSA wartime requirements across DOD, including how the availability of each service's aircraft could help fill the needs of the other services. The resulting October 1995 report established a joint requirement for 391 OSA aircraft and developed a common methodology for determining OSA requirements. The Chairman submitted the report later in October to the Deputy Secretary of Defense, requesting his approval for the OSA fleet to be sized at 391 aircraft, which would mean a reduction of over 100 aircraft. The disposition of excess OSA aircraft is currently under review. Further, DOD plans to update its policy on OSA to formalize the definition, use, and management of OSA aircraft. Plans are also underway to assign to the Joint Chiefs of Staff responsibility for determining DOD's annual OSA requirements.

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[4] 1996 DOD Budget: Potential Reductions to Operation and Maintenance Program (GAO/NSIAD-95-200BR, Sept. 26, 1995).

A Downward Trend in Travel on OSA Fixed-Wing Aircraft

Adverse publicity and increased congressional concern about potential abuses resulted in a number of statements during 1994 by the White House and the Secretary of Defense emphasizing the need for senior officials to carefully consider the use of commercial transportation instead of government aircraft. On May 9, 1995, the Deputy Secretary of Defense issued a revised policy memorandum that eliminates an entire category of "required mission use" for justifying individual OSA flights and requires that many more OSA flights be justified based on a cost comparison between DOD's OSA aircraft and commercial carriers.

Our review indicated that from March 1993 to February 1995, the number of senior-level officials' OSA flights generally declined. During that period,[5] the number of senior officials' OSA flight segments[6] per month ranged from a high of about 1,800 in March 1993 to a low of about 1,000. We found that 16 of the 20 destinations most frequently traveled to by senior-level DOD officials were also served by commercial airlines with government contracts. For example, 1,619 flight segments from Andrews Air Force Base, Maryland, to Wright-Patterson Air Force Base, Ohio, could have been served by government-contract airlines. It should be recognized, however, that some of the trips we identified were made by those senior-level officials required to use government aircraft

[5]Our review covered October 1992 through March 1995, but complete records from all of the services were available for only January 1993 through February 1995.

[6]Agencies record travel in individual flight segments rather than in round trips.

and that the contract flights may not have provided the same scheduling flexibility made possible by government-owned aircraft.

On October 1, 1995, the Deputy Secretary of Defense issued a new policy on travel that should help decrease the potential for abuse. The new policy (1) requires the services to use the smallest and most cost-effective mission-capable aircraft available; (2) requires the Secretary of Defense's or the military department secretary's approval for use of military aircraft by required use officials for permanent change-of-station moves;[7] (3) prohibits the scheduling of training flights strictly to accommodate senior-level officials' travel; (4) allows the military department secretaries to further restrict the required use designation for four-star officers in their respective departments; and (5) limits the use of helicopters for senior-level officials' travel.

Restrictions on Senior Officials' Use of Helicopters

Although senior-level officials' use of helicopters in the Washington, D.C., area declined substantially between April 1994 and March 1995, these officials continued to use helicoppters to travel between nearby locations. For both the Air Force and the Army, the most frequently traveled helicopter route was between Andrews Air Force Base and the Pentagon, a distance of about 15 miles. According to an Army memorandum, flying time for an Army UH-1H from Andrews Air Force Base to the Pentagon is about 24 minutes--at

[7]All other travelers must obtain prior authorization for all travel, including permanent change-of-station moves, from their designated authorizing officials.

a cost of about $185. The same flight in an Air Force UH-1N would cost approximately $308. However, actual cost to the government would be higher because all trips are round trips. In the case of the Army, the cost to get a helicopter to the Pentagon or Andrews Air Force Base must be included, which would increase the flight time to about 1 hour and the cost to about $460. We estimate that the same trip would cost about $9 by car and about $30 by taxi. Thus, for general comparison purposes, a trip between Andrews Air Force Base and the Pentagon on either an Army or Air Force helicopter would cost over $400 more than the same trip by car.

In December 1994, the Secretary of the Army established a new policy prohibiting Army officials' use of helicopter transportation between the Pentagon and Andrews Air Force Base except in unusual circumstances. The memorandum stated that the existence of unusual circumstances would be determined by the Secretary of the Army or the Chief of Staff of the Army. In our report, we recommended that the Department of Defense adopt this policy.

The October 1995 revisions to DOD's policy on the use of government aircraft and air travel include a section on helicopter travel. The new policy states that "rotary wing aircraft may be used only when cost [is] favorable as compared to ground transportation, or when the use of ground transportation would have a significant adverse impact on the ability of the senior official to effectively accomplish the purpose of the travel." We believe that this change in policy should result in fewer helicopter trips between the Pentagon and Andrews Air Force Base, as well as other nearby destinations.

Inventory of Civilian Agency Aircraft and Operating Costs

At the time of our June report, civilian agencies had over 1,500 aircraft that cost about $1 billion a year to operate. The civilian agency inventory includes many different types of aircraft, such as helicopters, special-purpose aircraft for fire-fighting and meteorological research, and specially configured aircraft for research and development and program support. However, only 19 are routinely used for senior-level officials' travel. These 19 aircraft cost about $24 million a year to operate. The operating costs reflect aircraft that are owned, leased, lease/purchased, and loaned between civilian agencies. For most agencies, the operating costs include those related to technical, mission-critical aircraft that are not used for administrative purposes.

We also reviewed the National Aeronautics and Space Administration and Coast Guard senior officials' use of aircraft and found that, although the use of such aircraft was infrequent, when these aircraft are used, many of the destinations were served by commercial airlines with government contracts. Inspector General reports indicate that agencies were not adequately justifying the need for aircraft acquisitions and that agencies' cost comparisons with commercial service were not complete or accurate.

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Mr. Chairman, this concludes my prepared statement. I would be happy to respond to any questions that you or other members of the Subcommittee may have.

Mr. HORN. Thank you. Our last witness on this panel is Mr. David Williams, the research director for Citizens Against Government Waste. Welcome, Mr. Williams.

Mr. WILLIAMS. Good morning, Mr. Chairman. Thank you for the opportunity to testify today before this subcommittee. My name is David Williams, and I represent the 600,000 members of the Citizens Against Government Waste.

Mr. Chairman, we welcome this hearing and your willingness to take a candid look at the excessive and extravagant use of aircraft and staff by the current Secretary of Energy.

The Secretary of Energy retains a staff of 14 just to handle her invitations and travel. The Secretary claims the excessive spending is justified from the results of her 16 foreign trips. Mr. Chairman, in 1871, Mrs. O'Leary's cow started the Chicago fire. Well, today, Secretary O'Leary's travels have started their own firestorm.

Nearly all Federal Government departments and agencies are involved in personnel travel and transportation. The Grace Commission reported that each agency administers its own travel budget and procures its own travel and related services.

The Grace Commission found that although certain general guidelines have been established pertaining to Government travel, they often deal with limitations and restrictions and have little bearing upon the efficient and economic procurement of travel services. This hearing and criticism of Secretary O'Leary's travels constitute a legitimate inquiry into excessive travel and should not be characterized as a witch hunt.

In August 1995, Secretary O'Leary allowed 51 Energy Department employees plus an entourage of 68 business executives, academics, and others to accompany her to South Africa. The group flew on a luxury jet occasionally used by Madonna, as mentioned by Mr. Scarborough.

Her entourages are larger than those of Elvis Presley, Shaquille O'Neal, and the Rolling Stones combined. John B. Ritch, chief of the mission to the United Nations in Vienna, commented that Secretary O'Leary's entourage "exceeded thermonuclear critical mass and threatened to vaporize of fiscal austerity to the U.N."

The Secretary's Magical Mystery Tour has traveled to places such as Austria, the Czech Republic, South Africa, Costa Rica, Italy, India, China, Hong Kong, Azerbaijan, and Moscow and Paris twice—Paris being the City of Lights.

Secretary O'Leary justified her overseas trips by saying she views the "missions as a way to earn our way to continue to exist as a Department of Energy." The price tag for chartering the plane was $415,000, with a total cost of $560,000 for the mission. We believe that's a high price for the taxpayer to pay in order to justify future energy and research spending.

If Secretary O'Leary is truly concerned about the future of the Energy Department, she should focus less on far-flung frivolities and implement the numerous cost-saving recommendations offered by Citizens Against Government Waste, the National Performance Review, the Congressional Budget Office, Members of Congress, and many others.

The Energy Department also spent $43,000 on a study conducted by her agency to rate how favorable journalists and sources are to

her department. Secretary O'Leary unapologetically blamed her public affairs staff.

However, we do commend Secretary O'Leary for making some tough decisions concerning Federal employees. Under her tenure, the Energy Department has reduced contractor staff by nearly 15,000. Secretary O'Leary can take credit for saving $18 million on support contractor costs, also.

Mr. Chairman, these trade missions do have supporters in Congress. Many believe Secretary O'Leary's overseas trade missions have paid off richly. Citizens Against Government Waste believes in promoting our country's resources abroad, but it must be done more efficiently.

We recognize that many energy programs are technical and scientific in nature and necessitates the hiring of special professionals to be paid accordingly, but it doesn't take a nuclear physicist to figure out that chartering a plane with a standup bar for $415,000 is a little excessive, especially for a plane described by the Secretary as "nothing but a cold, dog-ass 35-year-old plane that leaked."

Secretary O'Leary has become an unrepentant symbol of a Government gone wild. She just doesn't get it. Taxpayers no longer believe that the current administration really does feel their pain. The President and his administration have a moral responsibility to demonstrate leadership and be models of fiscal integrity.

In November, Secretary O'Leary told a House hearing that, on her excursions to India and other countries, "U.S. businesses have signed the contracts for over $10 billion worth of energy services or manufacturing in the times that I have been there." The Energy Department has cited other figures totaling $19.7 billion in business dealings. However, this month, the Department revised those figures significantly and is now claiming the total for four trade missions was closer to $1.4 billion, not the $19.7 billion. Even for Government finances, that's a large margin of error.

Recent reports estimate that her trips to India, Pakistan, China, and South Africa cost hard-working taxpayers a total of $2.6 million. While Frank Sinatra sang "Fly Me to the Moon," the "Chairman of the Board" does not mean with Secretary O'Leary and her entourage.

As a national taxpayer watchdog group, we will continue to keep a vigilant eye not only on the Department of Energy but on all agency travel. I have a list of recommendations that I would like to go into later if you care to hear them.

[The prepared statement of Mr. Williams follows:]

Testimony of
David E. Williams,
Research Director,
Citizens Against Government Waste before the
Government Management, Information and Technology Subcommittee of the
House Government Reform and Oversight Committee
December 29, 1995

Good morning, Mr. Chairman. Thank you for the opportunity to testify today before the Subcommittee on Government Management, Information, and Technology. My name is David Williams and I represent the 600,000 members of the Citizens Against Government Waste (CAGW).

CAGW was created 11 years ago after the late Peter Grace presented to President Ronald Reagan 2,478 findings and recommendations of the Grace Commission (formally known as the President's Private Sector Survey on Cost Control). These recommendations provided a blueprint for a more efficient, effective, less wasteful, and smaller government.

Since 1984, the implementation of Grace Commission recommendations has helped save taxpayers more than $430 billion. With the hearts, minds, and dollars of 600,000 Americans, we will continue working tirelessly to chip away out our nation's nearly $5 trillion debt.

Mr. Chairman, you and the members of this subcommittee face one of the most daunting tasks confronting this Congress -- reforming Washington's wasteful ways.

This truly historic first session of the 104th Congress *could* remake the federal government into a much smaller and frugal institution. The new majority has wisely taken on the entrenched bureaucracy and status-quo special interests by serving up a seven-year balanced budget act. In our view, Mr. Chairman, Democrats and Republicans alike now have a chance to build a blueprint for fiscal soundness and tilt the balance of power back to America's working families.

By asking CAGW and other groups to expose Washington's wasteful spending habits, you are making the first step in regaining the trust of the American taxpayer. Chairman Horn, we welcome this hearing and your willingness to take a candid look at the excessive and extravagant use of aircraft and staff by the current Secretary of Energy. The Secretary of Energy retains a staff of 14 to handle her invitations and travel. Ms. O'Leary claims the excessive spending is justified from the results of her 16 foreign trips. Mr. Chairman, in 1871, Mrs. O'Leary's cow started the Chicago fire. Today, Secretary O'Leary's travels have started their own firestorm.

The Energy Department is not the only federal agency engaged in foreign travel. Nearly all federal government departments and agencies are involved, in varying degrees, in personnel travel and transportation. The Grace Commission reported that each agency administers its own travel budget and procures its own travel and related services. The Grace Commission found that although certain general guidelines have been established pertaining to government travel, they often deal with limitations and restrictions and have little bearing upon the efficient and economic procurement of travel services. Much needs to be done to implement stricter oversight of executive branch travel.

With that perspective in mind, this hearing and criticism of Secretary O'Leary's travels constitute a legitimate inquiry into excessive travel, and should not be characterized as a witch hunt. When asked to address reports of Secretary O'Leary's travel excesses, Vice President Gore, who chaired the National Performance Review, said, "All that stuff doesn't sound good and she's the first to want to correct any excesses that might be found."

In August of 1995, Secretary O'Leary allowed 51 Energy Department employees, plus an entourage of 68 business executives, academics and others to accompany her to South Africa. The group flew on a luxury jet occasionally used by Madonna. Photographers and video camera crews were hired to join in and shoot highlights of the mission.

Her entourages are larger than those of Elvis Presley, Shaquille O'Neal, and the Rolling Stones combined. Secretary O'Leary travels far and goes in style. John B. Ritch, chief of the U.S. mission to the United Nations in Vienna, commented that Secretary O'Leary's entourage "exceeded thermonuclear critical mass and threatened to vaporize our message of fiscal austerity to the U.N."

The secretary's Magical Mystery Tour has traveled all over the world to places such as Austria, the Czech Republic, South Africa, Costa Rica, Italy, India, China, Hong Kong, Azerbaijan, and Moscow twice. Paris, the city of lights, also pops up twice.

Shortly before boarding that chartered plane with its individual suites and a stand-up bar, Secretary O'Leary justified her overseas trips by saying she views the "missions as a way to earn our way to continue to exist as a Department of Energy." The price tag for chartering the plane once owned by MGM Grand Air cost the taxpayers $415,000, with a total cost of $560,000 for the mission. CAGW believes that's a high price for the taxpayer to pay in order to justify future energy and research spending. If Secretary O'Leary is truly concerned about the future of the Energy Department, she can implement the numerous cost-saving recommendations offered by CAGW, the National Performance Review, the Congressional Budget Office, members of Congress, and many others.

However, CAGW does commend Secretary O'Leary for making some tough decisions concerning federal employees. Under her tenure, the Energy Department has reduced contractor staff by nearly 15,000. On support-contractor savings, Secretary O'Leary can take credit for saving $18 million.

Mr. Chairman, CAGW is not here today to beat up on the trade practices of the U.S. government. These "trade missions" do have supporters in Congress. Many, like Sen. Hank Brown (R-Colo.) and Sen. Bennett Johnston (D-La.), believe Secretary O'Leary's overseas trade missions have paid off richly. Sen. Brown recently praised Secretary O'Leary for giving U.S. businesses "a competitive advantage" by visiting places like India, Pakistan, China, and South Africa. CAGW believes in promoting our country's resources abroad, but it must be done more efficiently.

But it is incongruous, and disingenuous, to spend millions on foreign trips while legislation is pending to dismantle the Energy Department itself. That's not the kind of leadership a sinking ship needs.

The Department of Energy was formed in 1977 during the energy crisis by consolidating units of numerous federal energy agencies. The Grace Commission found in 1982 that the average salary for Energy Department employees was 30 percent higher than the federal agency average.

CAGW recognizes that many Energy programs are technical and scientific in nature and necessitates the hiring of special professionals to be paid accordingly. But it doesn't take a nuclear physicist to figure out that chartering a plane with a stand-up bar for $415,000 is a little excessive; especially for a plane described by the Secretary as nothing but "a cold, dog-ass 35-year-old plane that leaked." Secretary O'Leary added that a passenger even complained of getting a case of pneumonia. If conditions were so horrific, why did she charter the plane three different times?

These flights of fancy not only provide fodder for comedians, but represent a government run amok. Secretary O'Leary has become an unrepentant symbol of a government gone wild. She just doesn't get it. Families feeling a financial crunch do not take extravagant trips. And taxpayers no longer believe that the current administration really does feel their pain. The President and his administration have a moral responsibility to demonstrate leadership and be models of fiscal integrity.

The negative press stories have been difficult for the administration to spin. Secretary O'Leary has informed the Associated Press media that she doesn't regret the trips, but added that she "probably would keep her delegations to 30 people in the future." That should knock off a few hundred thousand dollars per trip.

But Secretary O'Leary's saga does not end there. Her traveling excesses have spawned numerous newspaper stories. The Energy Department also spent $43,500 on a study conducted by her agency to rate how favorable journalists and sources are to her

department. Secretary O'Leary unapologetically blamed her public affairs staff, particularly the staff's former director, who is now with the Department of Interior, for pursuing the study and signing a purchase order that paid at least one private consulting firm monthly for its reports.

White House Press Secretary Mike McCurry stated, "This is an unacceptable practice and will not be tolerated by the White House." Chief of Staff Leon Panetta ordered Secretary O'Leary to promptly reimburse the U.S. Treasury $46,500 from her office account -- $3,000 more than the contract.

The *Washington Post* recently cited other reports showing that Secretary O'Leary employs a public relations consultant to polish her image for $277 per day with Energy Department funds. This has prompted some senior presidential aides to privately criticize Secretary O'Leary's handling of the department.

The taxpayer-funded study to rank her critics has opened a Pandora's box. House Commerce Committee Chairman Tom Bliley (R-Va.) commented at a November 17 hearing on the matter that he's learned of "lavish and heavily staffed domestic and foreign travel, and of 136 full-time public-affairs employees nationwide" in the Energy Department. Bliley added, "We have also learned of 400 contract employees involved in public affairs; more than 500 public-affairs personnel, all told." The Energy Department is spinning out of control. Other federal agencies have also exceeded their travel allowance. Waste watchdogs at the Commerce Department are also concerned about jet-setting agency officials. Commerce's overall travel expenses are up 31 percent since 1991, while travel by officials in Secretary Ron Brown's office rose by an astonishing 145 percent.

In November, Secretary O'Leary told a House hearing that on her excursions to India and other counties, "U.S. businesses have signed the contracts for over $10 billion worth of energy services or manufacturing in the times that I have been there." The Energy Department has cited other figures totaling $19.7 billion in business dealings. However, this month the department revised those figures significantly and is now claiming the total for four trade missions was more like $1.4 billion, instead of $19.7 billion. Even for government finances, that's a large margin of error.

All decisions made by the Energy Department and other agencies should be grounded in fiscal responsibility. Americans work too hard to see their hard-earned money squandered on such lavish trips.

Restoring fiscal sanity to our nation is the most important job for the 104th Congress. The country is awash in a sea of red ink, and every day slips perilously closer to bankruptcy. The national debt is expected to rise to nearly $6 trillion by the end of the century. This is not the legacy that we should leave to our children and grandchildren. Spending has not been cut to the bone. Money is being wasted daily and the clock is ticking. We're sitting on a fiscal time bomb that needs to be defused.

You have an opportunity to continue the mission that Peter Grace and Ronald Reagan started 13 years ago when President Reagan signed Executive Order 12369 in 1982 formally establishing the President's Private Sector Survey on Cost Control, and to deliver on the call for change made on November 8, 1994.

Chairman Horn, the Secretary of Energy has made 16 overseas trips in three years. According to a recent *L.A. Times* story, "Secretary O'Leary has spent 130 days overseas, representing more than half the time that the Secretary of State has logged while conducting foreign policy." Sen. Harry Reid (D-Nev.) said "she's taken an entourage with her that's bigger than the secretary of state's."

Recent reports estimate that her trips to India, Pakistan, China, and South Africa cost hard-working taxpayers a total of $2.6 million. While Frank Sinatra sang "Fly Me to the Moon," the "Chairman of the Board" does not mean with Secretary O'Leary and her entourage. As a taxpayer watchdog group in Washington, CAGW eagerly awaits the Energy Department's Inspector General report on this matter.

In order to curb travel excess, CAGW looked to the Grace Commission. In 1983, the Grace Commission reported that the federal government's lack of centralized control and monitoring of travel and freight procurement produced management inefficiencies, unnecessary costs and missed savings opportunities. The Commission recommended the establishment of both a central travel negotiating unit and one or more centralized federal travel centers. We believe, with the enforcement provisions of the Chief Financial Officers Act, better procurement practices can be adopted while reducing excessive travel expenses.

CAGW will continue to keep a vigilant eye not only on the Department of Energy, but on all agency travel.

This concludes my testimony. I'll be glad to answer any questions you may have.

Mr. HORN. We'll be very glad to hear them.

Let me begin the questioning, before I yield to my colleagues, with a few questions for Mr. Gebicke, primarily, and also Mr. Buckley. If the staff will put up there the top 20 Department of Defense destination pairs between January 1993—the audience really can't see it, but it's in the report the Members have.

What I want to ask both the Inspector's General representative and the Comptroller General's representative is the following. Mr. White, the Deputy Secretary of Defense, has recently, as was suggested, issued a directive to try and improve the practices in the Department of Defense. In the judgment of your professional staff, does that do the job, or does something else need to be done?

Mr. GEBICKE. I would think that's a step in the right direction, but frequently, Mr. Chairman, as you know, policies and procedures are steps in the right direction, but how those policies and procedures are implemented is probably paramount. I think it remains to be seen whether or not additional steps will be necessary, but certainly I would commend the DOD for taking the steps that they have taken.

Mr. HORN. Because the point was made here, for example, in the White House—and it's typical—lower-level, Military Office, White House staff aide, friend of the President, top official phones up, says, "I want transportation." Obviously, they're going to try to be supportive. Do we have the same situation in the Pentagon? A General phones up. "Of course, General, we'll have that plane there."

So the question is the level of review for some of the excess travel. I have no problem—no Member of Congress does—with somebody on mission business trying to get the job done. Thirty years ago, as a young Senate assistant, I saw the fact that Senator Margaret Chase Smith of Maine had been abroad and looked at this particular water resource project, turned the whole discussion around in an executive session of Appropriations. Nobody else knew what was going on. She did. She had gone; she had asked the questions. So nobody objects to that type of situation.

What our problem here is is the excessive flamboyance with which some of these facilities are used. You start with a very simple thing, that helicopter trip from the Pentagon to Andrews. It is ludicrous, when you think that the rest of us—the Members of Congress, of course, drive their own cars, whereas practically every captain has a chauffeur in some of these places, especially on some of the bases.

But that's what I'm trying to get at. Where's the proper level of review without having some very high official have a clogged desk with all this nonsense? How do we deal with that, and is the Inspector General satisfied with the procedures that come with the Deputy Secretary's memoranda?

Mr. BUCKLEY. Mr. Chairman, I think we are satisfied with the procedures. The test is going to be whether or not those procedures are properly implemented. I think that right now, because of the spotlight that has been placed on this issue, the procedures are being implemented properly. The memo just a few weeks ago, just a couple of weeks ago, from the Executive Secretariat points out that this review must take place, and don't try and get underneath

the wire or your nose underneath the tent by scheduling things or pretending to schedule things at the last minute.

It is a shame that it requires that level of review and this level of attention, but it's a culture that has to be fixed. It's going to take a level of attention for some time before everyone gets the message and the General looks—his staff shows him that it's going to cost the Government $116,000 to do this. If you fly on Delta, it's going to cost $300. If that doesn't click, then we've got more than just a culture problem, I think.

Mr. HORN. I'll tell you how you get the message very fast. If you work that into the promotion evaluation from Colonel to Brigadier General, Brigadier General to Major General, and you look at the trip sheets on where this person went, you would break that culture very rapidly. That's the one way you show you're taking it seriously.

Now, on that pair list up there, I'm curious with GAO—and the Inspector General's familiar with it also—did that reveal any particular set of pairs that seemed to be a place you don't always have to go to, but it was good to go? Or is this just interesting data? Does it have any other implications besides a chart with city pairs and a number of trips?

The reason I ask that is, people have known for years that somehow, when the Army-Navy game is played, a lot of people of high rank are able to show up there in various and sundry modes of transportation. Now, the Army-Navy game has not been played at the Wright-Patterson Air Force Base, so I'm just curious. Did this chart reveal anything?

Mr. GEBICKE. Mr. Chairman, when we compiled this chart, nothing jumped out at us along the lines of what you suggested. These are locations where you would expect military officers to probably travel to. We did not look, as you're probably aware, at the specific purpose for each one of the trips behind these numbers, so I couldn't comment on that.

You know, we probably should note, too—and I'm sure you would agree—there are certain required users. There are certain people who should fly military aircrafts regardless of the cost involved, and the Pentagon allows for that. I think we need to make that point, as well.

Mr. HORN. Well, let me get to the point. As was suggested, it's sort of the meat axe approach, and I think it's sometimes very stupid, as I'm sure you would agree. On the other hand, it does get results, and it might be justified, and I think it probably is in this.

You noted that there are 520 aircrafts assigned to this type of mission, transporting the high-level officials. The Joint Chiefs have said we need about 391, I take it, based on their study. The Gulf war data, which I referred to in my opening statement, was a one-front war, if you would and were planning, in case you ever had a two-front war, we can relate these types of aircrafts to that basic procedure.

We had 48 airplanes, presumably, used in the Gulf war for this type of ferrying back and forth. If you double that—say you're waging some conflicts on two fronts and you're ferrying people back and forth—you get to 96. So the question is obvious. Is the 391 that the Joint Chiefs are willing to settle on—which is down from 520—

still excessive, if 96 planes, based on the Gulf war experience, is adequate? What am I missing?

Mr. GEBICKE. The only piece that we have to factor into that thought would be the fact that the 391 would also include aircrafts that are used in the Continental United States in support of war.

When we tried to get numbers on those, Mr. Chairman, the services did not have those numbers readily available in support of the Persian Gulf war. So certainly there would be a number of flights and ferrying that would have to take place within the Continental United States.

You know, the important thing on that score, on the 391 number, is that for the first time the services have, if you will, put their aircrafts together to figure out how best to use all the assets that they have. That's the first time that the DOD has really done that.

It has always been a service-specific number of aircrafts needed, and you know, yourself, when you go to a theater, we've got aircrafts from all services there. So you've got a lot overall. That's the real significance of the 391.

But you raised an interesting point. Is 391 too many? I think we'll have to see. That remains to be seen.

Mr. HORN. And would the GAO tend to limit that in terms of its career soldiers? I mean let's face it. They have worldwide responsibilities, and we have to be sensitive to that, and that would mean you don't necessarily have the economies you would have in the Continental United States. They go into some very backwater areas.

What I'm curious is, when this executive travel is made in the civilian departments of the executive branch, to whose budget are those trips charged? For example, if a White House aide had said to the Military Office—and now the Chief of Staff has the approval—"I need a helicopter," is that charged off to the Department of Defense or the White House budget?

Mr. GEBICKE. I don't know the answer.

Mr. HORN. Will you both look and find out for the record. My suspicion is it's charged off to the Department of Defense. Every President since Franklin Roosevelt has flown all over the place in the helicopters, and with those assigned to their staff.

What I think is one way to get at this is to charge the transportation budget of the person requesting it. You would get a very rapid response. One, it would show up in the annual congressional appropriations hearings a lot easier when they can view that data, and you have a cost that fits the pocketbook of the person using the flight. That's one way to take a look at it.

Mr. BUCKLEY. Yes, sir. Under the Economy Act, of course, when another Federal agency uses a DOD resource, then that agency reimburses the Department. As to your specific questions on the White House, I do not know. We would have to look into it.

Mr. HORN. The gentleman from Maryland, Mr. Bartlett, has a comment, because he has studied it thoroughly.

Mr. BARTLETT. Mr. Chairman, I think that your surmise is correct that it's charged to DOD. That's the impression we got when we asked these questions when we were involved in looking at that helicopter incident in the 6th District.

I think you're right, that if these charges showed up on the balance sheet of the department that requested the flights, that there would be a whole lot more accountability. You know, in years past, when we had little idea of microbes and their effects and so forth, we learned that if you exposed things to the light of day, if you put things outside, that somehow things were more healthy.

I think that's true today. I think that public disclosure is one of the best guarantees that these procedures, and I think the procedures now in place are pretty good, but the concern is, will these procedures be followed?

I think that the best way to make sure they're followed is to have adequate public disclosure. I would suggest that quarterly is probably quite adequate, but you shouldn't have to make a request. By the way, I understand that travel reports filed with GSA and OMB are not even released to Congress, unless we make a special request.

I think that if these reports are just made a part of the public record that there will be a whole lot more incentive to be accountable if you know that these are made public every quarter and that the whole world will see what you have done during that quarter.

I think that every time that someone requests the use of a dedicated aircraft rather than going by automobile or getting a commercial aircraft, that that will be flagged in their mind. I think that public disclosure—very simply—will, if done properly, cost very, very little, and I think that the savings would be absolutely enormous.

Mr. HORN. I think the gentleman's absolutely correct. One last question. I don't know if you have the data for it. If not, file it for the record. On the helicopter flight that you investigated, was there a second helicopter in that situation, or was there just one?

Mr. GEBICKE. We understand that there was a support helicopter, as well, that followed the initial helicopter.

Mr. HORN. Did you get the list of the passengers on board each helicopter?

Mr. GEBICKE. We know the passengers on the principal helicopter. I don't think there were any passengers on the second helicopter.

Mr. HORN. Well, do we know that for a certainty?

Mr. GEBICKE. I can find out, and I'll file that in the record.

Mr. HORN. Because there have been various rumors there were, and I don't know, and I would just like to file it for the record. If you could get the passenger list for both helicopters, we'll put it at this point in the record.

Mr. GEBICKE. OK.

[The information referred to follows:]

The passengers on the primary helicopter used on the May, 24, 1994, golf trip included Mr. David Watkins, formerly Assistant to the President for Management and Administration, and Mr. Alphonse Maldon, formerly the Director of the White House Military Office. In addition, the Commanding Officer of Camp David, Rich Ceelon, was a passenger on the flight from Camp David to the golf course. According to the White House Military Office, the pilot of the second helicopter, and flight documentation which we reviewed, only crew were on board the second helicopter. The crew consisted on a major, who was the pilot; a major, who was the copilot; a corporal, who was a crew chief; and another corporal, also a crew chief.

According to the pilot of the second helicopter, the helicopter took off from Anacostia and landed at Anacostia. The helicopter did not land at Camp David and did not land at the golf course.

Mr. HORN. Thank you. I now yield to the gentleman from Virginia, Mr. Davis.

Mr. DAVIS. Thank you, Mr. Chairman. I agree. I would like to see the passenger list on that second helicopter. It would be very interesting.

I don't know why they went all the way to western Maryland, Mr. Bartlett, when, right at Quantico, where the copters fly out of, there's a Robert Trent Jones golf course right there. It happens to be in northern Virginia. I would recommend, if they want to do that again, help our economy instead of western Maryland. Just kidding.

I think that Mr. Bartlett hit it on the head when he said disclosure will do a lot in this to bring practices more into line in terms of what's fiscally real. Look at the headlines of the Washington Post today. "Furloughs Fail to Ground Overseas Trips by Congress."

But once the disclosure comes out and they start asking questions, you see some of these trips start disappearing, and that will happen with Executive agencies, as well, as these disclosures come out and people who are taking these trips have to become accountable for them.

Whether it's in the military or whether it's in the high-level executive positions, I think that will bring practices closer to what makes business sense than anything else we can do. So I think we can explore that.

I have a couple of questions for the panel. When we start allocating the cost of a trip, I just want to understand what is happening. We talked about the cost to fly a helicopter from Andrews Air Force to the Pentagon being hundreds of dollars.

The cost of a trip, though, you factor overhead and pilot's time and take a pro rata part of that, don't you, in factoring that in? In reality, isn't the net cost to the taxpayer the difference of—you're paying the pilots anyway, even if it just sits on the ground. The gas is extra, and you pay for.

What do we talk about when we talk about the cost of these trips? Because when you have so many planes, even if you don't—if you have one flight, it's going to cost a lot more than if you have 30 flights, because of dividing up the overhead. Am I correct on that? Can somebody shed some light on how this is really figured?

Mr. GEBICKE. Yes, I think you're exactly right on that, with one exception. I don't believe, in the cost information we provided, Mr. Davis, that we have included, nor does the Pentagon include, as a part of the cost the salaries of the pilot and the copilot if there is one.

But the issue becomes one—and I think you alluded to it earlier—of whether or not we have the right number. I mean if we have more than we need, we'll probably find ways to use them.

Mr. DAVIS. That's exactly right.

Mr. GEBICKE. Whether we need as many as we have, I think, is really the issue. Our information, since April of last year through

March of this year, indicated, for instance, the number of helicopter flights has declined drastically.

Now, the Secretary of the Army took a position in December of last year, just about a year ago, that he was going to permit very few people to fly between those two helicopter locations that you cited. The memo that was implemented on October 1st basically spread that same policy to the other services.

So there are many, many fewer flights taking place now between the Pentagon and Andrews Air Force Base, which leads me to believe that a lot of people were flying who didn't need to fly, because if they still need to go over there, they're finding other ways to get there now.

Mr. DAVIS. Of course. Well, clearly, from Andrews to the Pentagon, where it's just a 20-minute drive around the Beltway, you have to ask yourself, who is so important, and what security is available, that they have to fly back and forth? It's not in the hundreds. I think that's very, very clear from this.

Once again, I think the result of fewer helicopter flights is the fact that there was public disclosure on this, and once the users of these aircrafts find out that it's going to be made public and they're going to have to account for it, you can see everything changes.

I was looking at the report on the General's flight from Europe to Colorado, and I found nobody was accountable. The General said he didn't know it was going to cost this. Nobody is accountable. Once somebody has to be accountable for this, you see the flights decrease rapidly, because in many cases it's just very, very hard to justify.

The other issue is, when you have these aircraft sitting around on the ground, you've got pilots sitting around drinking coffee, waiting for a flight, sure, they're going to be utilized. You almost have to justify their use by inventing trips, in some cases. It certainly is an appropriate use, but it has been far overused, and that's what I think we're trying to get at today.

Just another comment, and I would be happy to get a reaction from anybody on the panel. Mrs. O'Leary talked about that she saved money by signing all these contracts when she was in India with her entourage, but isn't the point that she could have signed those contracts if she flew over coach? Or she could have signed those contracts if she flew first class with her group? Did you have to hire a private airplane? I just ask for a reaction from the panel on that.

Mr. WILLIAMS. That's one of the points that we have in the written testimony, is that she didn't have to fly first class. And what happened is she upgraded from coach to first class. So here we have, once again, an accountability issue.

Every year, our organization publishes our Pig Book, and when we bring to light some of the pork barrel projects associated with some of the Members in Congress, well, guess what. Once they're exposed, they're not very proud of this, the way that money gets appropriated for it. So you have to use the same mentality when you're talking about travel. If these people are accountable for their travel expenses and the amount that they're spending, then it's going to change. Then, and only then, will it change. Now, there's

no accountability, and the Grace Commission, back in 1982, said there is no accountability.

One of the beauties of the Chief Financial Officers Act is, it provides that accountability. Unfortunately, the CFO hasn't been in long enough where we've been able to see results from having such a strong officer keeping track of the finances. Hopefully, that will correct some of the problems. But accountability is the issue. Whether it be travel, whether it be anything in this Government that is wasting money, it's accountability.

Mr. DAVIS. Let me ask a final question. In my previous life, before I arrived in Congress, I was a general counsel for a Government contractor. One of the most difficult cases I ever had was defending airplane flights for reimbursement from the Federal Government to DCAA—Defense Contract Audit Agency—and other groups.

It seems to me, though, that most of these flights that I've looked at, at the Federal level, would never have been reimbursed if these were used by private contractors, and yet the Federal Government is justifying them. It seems to me that we ought to have the same standards.

If a Federal contractor could write them off and get reimbursed for them as part of their overhead or GNA expenses, then the Federal Government, under the same criterion, ought to be able to use the plane. But if the Federal Government is using one criterion to apply to themselves and another for private contractors, that seems not only contradictory, but it shows that there is not the same cost consciousness. Any comment on that from any of the panel members?

Mr. BUCKLEY. Well, I'll just say, sir, that, as you're well aware, those cost accounting measures that apply to contractors are largely based on the same Federal regulations that apply to most Federal employees when they travel. In other words, most Federal employees cannot.

Mr. DAVIS. Most.

Mr. BUCKLEY. Exactly.

Mr. DAVIS. And that's the key here.

Mr. BUCKLEY. We're talking about the culture at the top.

Mr. DAVIS. Yes.

Mr. BUCKLEY. The employees at the lower levels—even mid-level management—fly coach, just as we expect the contractors to do, and we don't reimburse the contractors for that. If they decide to fly business, that's fine, but they can only bill at the coach level. That's what we're talking about here; it's the culture at the top.

Mr. DAVIS. Right. The rank and file Federal employees, I think, understand this very well, get the message, and are not part of the problem here. I think they're part of the solution as we get into accountability.

Mr. Bartlett had a question.

Mr. BARTLETT. Your comments about the Secretary's use of dedicated aircrafts, and justifying it on the basis that some contracts were signed when she used it, reminds me that you can certainly kill flies with a $20 sledgehammer, but you can do it also with a 50-cent fly swatter, and it's more appropriate.

Mr. DAVIS. Thank you very much. Any other comments? All right.

Mr. WILLIAMS. I have two comments. One is, we have 556 recommendations on how to cut spending, and there are a lot in the Department of Energy. She can stay at home, and she can read our publication, and save a lot more money than she is going overseas to try to collect. So there is no excuse for her to go over and to spend all this taxpayer money to do that.

It's the whole mentality of the Federal Government where, in September, you have the end of your spending spree; get the money out the door. You are not rewarded for saving money. You are rewarded for spending money. And that is the problem with the travel.

The Department of Energy is not the only department involved in this. The Department of Commerce, Ron Brown's office, exceeded their budget by 145 percent. So it's not just one person that's doing this. It's a mentality throughout the Federal Government that has to be changed.

Mr. DAVIS. Right, thank you. My time is up. Before I yield to Mr. Scarborough, I would just say, I don't want to personalize this for Mrs. O'Leary. She has a tremendously difficult job in downsizing her agency. I think she has made, frankly, some very tough, courageous decisions, and I wouldn't want to diminish that by trying to single her out.

As we say, this is a culture at the top that applies across the board to other agencies. She just happened to be the recipient of getting caught in this one and having it disclosed, and I think if we had more disclosure, there would be less of this. Thank you.

Mr. HORN. I thank the gentleman from Virginia. Let me ask one question following up on what the gentleman has pursued. Maybe GAO knows the answer, too. To what accounts was Mrs. O'Leary's trip that cost over $400,000 charged? Do we know?

Mr. GEBICKE. I do not know that. We have not done that work.

Mr. HORN. Well, we'll ask GSA on the next panel, then. Or can you followup, work it out with staff, put it in the record at this point, and then we'll bring it out.

[The information referred to follows:]

On December 28, 1995, GAO reported on the Secretary's trade mission to India in July 1994. GAO also obtained the Department of Energy's (DOE) estimated costs for the Secretary's August 1995 trade mission to South Africa. (See GAO/RCED–96–58R, *Unsubstantiated DOE Travel Payments.*)

The trade mission to India cost $729,921. DOE paid for all of the costs. GAO reported that 17 of the 34 DOE employees' travel vouchers were charged to the Office of the Secretary, and the other half were charged to the program offices to which the employees were assigned. The vouchers for two guests were paid by the Office of Fossil Energy, and the other by the Office of Energy Efficiency and Renewables. The balance of the costs was charged to departmental administration accounts for travel and contractual services.

DOE's estimated costs for the South Africa trip totaled $1,080,600. DOE will pay for $663,600 of the costs. GAO reported these costs as estimates rather than actual costs because not all of the documentation was available. DOE's costs for this trip will be paid by DOE's Office of the Secretary, the program offices to which employees are assigned and the Offices of Energy Efficiency and Renewables, Fossil Energy, and Energy Research.

Mr. HORN. I now am delighted to yield to the gentleman from Florida, Mr. Scarborough.

Mr. SCARBOROUGH. Thank you, Mr. Chairman.

I want to followup on something that Congressman Davis just said and want to get response from any panel members who may be able to shed some light on it. He had said that he didn't want to single out Hazel O'Leary because she was the one that got caught, but actually it's a culture of waste, fraud, and abuse throughout the entire Government.

Let me ask each of you, are there other examples of such outrageous waste in the Government as far as travel goes, or is Hazel O'Leary's example right now the most egregious in the Clinton administration?

You mentioned Ron Brown, Mr. Williams. He has been before this committee—the overall committee—testifying that he has cut back and made the Commerce Department lean and mean and that "there's not one penny of corporate welfare in the Department of Commerce." That's for another hearing. It also borders on perjury.

But my question is this: Are other agencies as irresponsible in their travel expenses as Hazel O'Leary has been?

Mr. WILLIAMS. Well, my first comment is, the Department of Commerce is corporate welfare. I think the whole Department is corporate welfare. But, to get back to your question, we have sources inside of the Department of Commerce that have paperwork that says that the Secretary's office has exceeded his travel budget by 145 percent, and the whole Department by 31 percent. So I don't know where they're cutting the cost, but it's not in his office or travel throughout the agency.

The Secretary of Energy and her travel follies really have opened the door, and now we're going to look into other agencies and see if we can open the door even wider and look into more abuses, because I don't think that is just one or two agencies. I think that, getting back to Mr. Davis, he says it's the mentality of the culture, and it's persistent in every agency.

So it's going to be a tough task, because of the way that the accounting systems are. There are thousands of accounting systems in this Federal Government, so to be able to crack the door open and find each agency and what they're spending on travel is going to be very tough. But now that we have our foot in the door, let's walk all the way in.

Mr. SCARBOROUGH. Thanks. Let me ask this question, just to be fair to both sides of the aisle here. How does this administration compare with past administrations? We obviously had waste in Republican administrations as well as in Democratic administrations, and, of course, the purpose of this hearing is not simply to point fingers. I don't think the Congress of the United States has any right to be self-righteous about traveling to exotic places.

But the question is this: How does the Clinton administration compare with past administrations, Republican and Democrat alike? Are we seeing an increase, an explosion of abuse, or do you all not have figures on that? That's open to the whole panel.

Mr. WILLIAMS. Well, John Sununu was famous for his travel exploits, and we testified, back in 1991, before the committee on travel excesses by prior administrations.

Mr. SCARBOROUGH. So, today, you're not here—this isn't a witch hunt on the Clinton administration?

Mr. WILLIAMS. No.

Mr. SCARBOROUGH. You have attacked Republican administrations in the past, and now you're attacking a Democratic administration. So you're nonpartisan.

Mr. WILLIAMS. We're nonpartisan. The Grace Commission came out in 1984, during President Reagan's tenure, and Peter Grace criticized the Federal Government in 1984. So this is one of the more popular Republican Presidents that the late Peter Grace took a shot at and said there were 2,478 ways to save money in the Federal Government. So, this is definitely nonpartisan.

Mr. SCARBOROUGH. OK. Let me ask a question. I'm sorry I don't know which witness brought this up, but somebody stated, after the golf outing episode—by the way, there are some good courses in my district in Florida, too—somebody had stated that the decision on helicopter use was elevated to the White House Chief of Staff for decisionmaking. Was that Mack McLarty at the time or Leon Panetta? Was that still McLarty?

Mr. BARTLETT. Yes, sir, that was still McLarty.

Mr. SCARBOROUGH. If I could ask—and feel free to comment, and then open it up to the whole panel—again, just for our purpose of fairness, how have they been doing since the decision was put up to the Chief of Staff, the position on helocopter use? Have the abuses continued, or have they done a good job of curbing it?

Mr. BARTLETT. Well, I think that the procedures they put in effect are pretty good. I would like to have public disclosure of them. I think that just the knowledge that they will be available to the public is good discipline.

You asked the question of whether or not this focus was on only this administration or others. When the helicopter thing was in the news, every time I was making a statement to a reporter in front of a camera, I tried to take the position that I had hoped that focus on this would not be simply focus on this one issue, but it would be a focus on what I thought was an endemic problem—you all spoke of it as a cultural problem—and I mentioned the previous administration and some excesses there.

I think this is just something that infects the bureaucracy down here, and I'm really delighted that you're holding this meeting. Now, we have these three things: the helicopter incident, the GAO report, and the Secretary's travels.

I think that, if you look at other agencies, you're going to find very similar things. Hers may be a bit more flamboyant than some of the others, but it's hard for me to imagine you can exceed your budget by 145 percent and not have some extravagant, flamboyant use of aircraft.

I think you're exactly right, that what we have to do here is to change the culture, and I think that you change the culture by having accountability. You know, they tell us, if you don't want to see it on the front page of your local paper, don't do it and don't say it.

I think that if you don't want to see it in the news—for these people—of your trip, then don't take the trip on the dedicated aircraft unless you want to see it on the front page of some national papers. You know, if you can do it with a commercial aircraft, you ought to do it that way.

So I really think that the procedures that are now there are not all that bad, but what is lacking is the public disclosure. If nobody's ever going to know that you bend the rules a little, the tendency to bend the rules is going to be there.

If that's going to be exposed to the white light of day of the public, then I think there's going to be much less incentive to bend the rules. The rules aren't all that bad now, but I think we just need to have public accountability, public disclosure, so that there will be an incentive not to break them.

Mr. SCARBOROUGH. Are we going to have another round?

Mr. HORN. Let me just ask a question, then we'll start that round.

Mr. Gebicke, I noticed in the initial Presidential directive, issued shortly after President Clinton assumed office, that the limits were put on Presidential appointees who were, in essence, Senate-confirmed. And then he included the White House employees, also, who were not Senate-confirmed. But there's also a lot of Presidential appointees that don't have to have Senate confirmation. I was just curious if GAO has ever looked at who's excluded that maybe should be included in that.

I happened to serve Presidents from Nixon, Ford, Carter, to Reagan in a Presidential appointment that was Senate-confirmed. I remember President Carter was the first, to my knowledge, that issued a very severe order, and I know I followed it. That was, you go the lowest coach fare.

Now, that upset a few people I knew, who then paid the difference out of their own pocket, which is fine. But in my case, it was World Airways, and you bring your own lunch, and I did that faithfully for 4 years that Carter was in.

It just seems to me that there's some other appointees besides the ones Senate-confirmed, and we might look at that. If you could, let's file a statement for the record. Talk to the Office of Personnel Management and see who we're leaving out of that little net.

Mr. GEBICKE. OK.

Mr. HORN. So let me now yield to the gentleman from Virginia, Mr. Davis. Do you have some more questions?

Mr. DAVIS. Yes. Let me start by just reiterating Chairman Horn's request earlier about getting a list of the people on that second helicopter. I think that would be revealing and, to date, we have not been able to get that, from what I understand.

Once again, disclosure is the key, in all this, to preventing future abuses. So it is in that interest, if you put disclosure out, and maybe somebody gets red-faced. But as we have seen with the helicopter usage to date, it has reduced the number of helicopter trips that appear to be required after it has been disclosed. I think, in that spirit, it would be helpful seeing who was there.

Let me just ask the GAO, in your written testimony, you state that the White House staff may be authorized to use HMX–1 when they are conducting immediate White House activities. Is there a written policy over what constitutes immediate White House activities, and were the 14 trips to conduct immediate White House activities? Do you know what they were for? You state that 10 had a squadron-specific mission purpose code. What does that mean in laymen's terms?

Mr. GEBICKE. The answer to your question is that it is not specifically indicated or specified or defined as to what the use of the helicopters would be for. The 14 that were reported by the White House, we did include in our appendix to that report on page 6.

We did not look at the purpose for those flights specifically. In other words, we did not get behind those 14 flights to find out whether or not they should have been taken. Our principal purpose, quite frankly, was just to determine whether or not there were additional flights that were not reported.

Mr. DAVIS. And you found none; right? Because you interviewed all the pilots.

Mr. GEBICKE. Right. A cursory review of the 14 flights would indicate that they look very reasonable to us, but we did not specifically go into depth behind those flights.

Mr. DAVIS. Thank you. Did you experience any difficulties in obtaining the information from the White House?

Mr. GEBICKE. The White House gave us all the information that we wanted. It took longer to get the information than it typically takes us to receive information from, say, an executive branch agency, but that is not unusual when GAO deals with the White House, regardless of whether it's this White House or previous White Houses.

Mr. DAVIS. Right. Let me ask, in your written statement, you say that the April 1995 OSA inventory of aircraft is 10 times greater than the aircraft used in the Persian Gulf war. If the JCS has recommended that the number of OSA aircrafts be 391, do you believe that the services actually need 391 OSA aircrafts? How many should the services have? Do you have a number at this point?

Mr. GEBICKE. I don't have an idea about that. The chairman was asking me the same question earlier, and we promised that we would look into that for him. There is a fairly elaborate study that has been done by the Joint Chiefs of Staff, and we'll get behind that and look at the methodology for you.

Mr. DAVIS. And let me ask you, to what do you attribute the decline in the use of helicopters by senior-level officials? We've surmised up here what it is. Do you have an official explanation for that?

Mr. GEBICKE. Well, I think two reasons. Mr. Buckley might want to comment, as well.

Mr. DAVIS. Please.

Mr. GEBICKE. The Secretary of the Army has really been the leader, in my opinion, on this through the policy change he made last December, which severely limited the number of Army personnel who could use helicopters. And, more recently, the memorandum of October 1st has also probably led to an even greater decline.

I think the whole awareness of the Ashy flight—the White House flight of the helicopter that was questioned in May of last year—I mean all of these items—the work that we've done, the work that the Inspector General has done, Mr. Bartlett's interest in this area—I think has heightened the awareness within the White House and within the Pentagon and, probably, within the civilian agencies, as well.

Mr. DAVIS. Thank you. Mr. Buckley, do you have any comment on that?

Mr. BUCKLEY. Sir, I would just echo Mr. Gebicke. The light of day, as the Congressman has said, or a shock to the system, is what is usually required to get people to change their ways, and when the Deputy Secretary of Defense personally signs a memorandum down, people salute. All we can do is make sure that they continue to salute.

Mr. DAVIS. So, really, the disclosures of some of the abuses or mishandling of this was a shock to the system, and it started to make some changes, at least for a short period of time. That's why I think continued disclosure continues to be the way to keep the system honest. Maybe some legislation can come out of this hearing that would do exactly that. That is really, it seems to me, the best way to handle this, so people have to be accountable.

Let me ask a question. For example, on General Ashy's flight, the C–141 that he flew from Naples, we know it was refueled twice in mid-air. It carried himself, an aide, and a cat, I think is my understanding?

Mr. BUCKLEY. That's correct.

Mr. DAVIS. But it had the capability to carry 68,000 pounds of cargo. Do we know how General Ashy's household goods were transported to the United States?

Mr. BUCKLEY. Yes, sir. His household goods were transported via military aircraft.

Mr. DAVIS. But not that aircraft? It was a different aircraft.

Mr. BUCKLEY. That's correct. They were not on that aircraft.

Mr. DAVIS. They did a separate flight? But if somebody had really thought this thing through. In allocating that $141,000 in cost, obviously the fuel and so on, but what else goes into that? Were pilots' salary? Was the maintenance of the aircraft? Do you know how that was allocated?

Mr. BUCKLEY. $116,000, I believe, sir, that we're talking about.

Mr. DAVIS. Right, $116,000.

Mr. BUCKLEY. Appendix 4 of our report indicates how those costs were developed, and the $116,000 is the lowest rate, because that's the way the Air Mobility Command billed it, as a training flight, training that air crew, which, of course, was an extremely experienced air crew, and, as far as we knew, they did not require training. They weren't bumping up against an envelope where they would go nonqualified.

But the cost for a nongovernment entity to have the Air Force do the same thing that was done for General Ashy is billed at $267,000, and that cost would include everything.

Mr. DAVIS. Fully loaded, as they say.

Mr. BUCKLEY. The cost of the air crew, renting those people, in addition to the aircraft.

Mr. DAVIS. Fully loaded, as we would say in the contractual vernacular.

Mr. BUCKLEY. Yes.

Mr. DAVIS. Interesting. And a commercial flight would have cost General Ashy's flights from Naples to Colorado, including his aide and cat—do we know what that would have cost?

Mr. BUCKLEY. Yes, sir.

Mr. DAVIS. Coach.

Mr. BUCKLEY. Coach?

Mr. DAVIS. All right, let's give him first class, even first class.

Mr. BUCKLEY. Well, he would not have been authorized. We looked at coach. $650 per person.

Mr. DAVIS. OK.

Mr. BUCKLEY. One way.

Mr. DAVIS. Thank you. I think we've said enough about that. The interesting thing, in looking at all this, is that nobody wanted to admit they made the decision on that. I think there was more scrambling for cover. Is that right?

Mr. BUCKLEY. We found the people that made the decision, and it was a group of people. So, to pin a $116,000 bill on any one person, when this, as far as we saw, is the norm.

Mr. DAVIS. This was the norm.

Mr. BUCKLEY. We found 12 other four-star officers who used military aircraft.

Mr. DAVIS. This is a systematic problem, failure of the system, really, I think.

Mr. BUCKLEY. It's the culture.

Mr. DAVIS. Thank you. The time is up.

Mr. HORN. I want to followup on the mention of Deputy Secretary White's implementing order in October 1995. Now, the President issued his directive in February 1993. To your knowledge—either the Inspector's General representative or the General Accounting Office representative—did the Pentagon delay the February 1993 implementation and not do anything until Deputy Secretary White issued that? Or were they carrying out the President's directive of February 1993 in that interim period?

Mr. BUCKLEY. A double-edged question. The President's direction in 1993 and the OMB directives that followed were implemented via memorandum by the Department of Defense. Now, the other half of your question was whether or not they were followed. Obviously, in this case, they were not.

No, they had not waited. The Pentagon did not wait until 1995 to issue instruction. Deputy Secretary White's instruction in October 1995 was further clarification and an even harder line to be drawn, because remember, the White House instruction did not apply to active duty military officers. They're specifically excluded in that directive.

Mr. HORN. Yes. So the White House memorandum, then—and you mentioned you thought it was fairly significant in getting the message through as Deputy Secretary.

Mr. BUCKLEY. Yes, sir.

Mr. HORN. So you expect different behavior as a result of the White House memorandum, I take it. That's what I'm hearing.

Mr. BUCKLEY. And we are seeing different behavior.

Mr. HORN. And you're seeing that.

Mr. BUCKLEY. That's correct.

Mr. HORN. I'm reminded of what Harry Truman was reported to have said as he contemplated General Eisenhower becoming President of the United States. He said, "The General will give an order around here and think it has been carried out, as it would be often in the military, and he'll find, 6 months later, nobody has done

anything about it." So there is also that culture, and I was just curious how much the Pentagon had implemented in that 3-year period, if you will.

Mr. BUCKLEY. Right, sir. I don't know the answer to the actual implementation over those 2 or 3 years.

Mr. HORN. OK. The gentleman from Florida, Mr. Scarborough.

Mr. SCARBOROUGH. Thank you, Mr. Chairman. It's interesting you bring up General Eisenhower. It reminds me of a story, when I was reading a biography of John Kennedy, that's somewhat appropriate to this hearing.

They had then-President Eisenhower turning the White House over to John Kennedy. He was trying to explain what was going on in the world and sort of showed the perks of the White House, pressed a button and said, "You press this button when you want to get a helicopter." He pressed the button and then continued briefing incoming President John Kennedy.

John Kennedy was amazed that that helicopter came down a few minutes later, and the biographer commented that it was hard to get Eisenhower to get John Kennedy back on the subject of world affairs, because he was so amazed at the access that he had to helicopters and to power.

That shows that this problem spans over generations, that sometimes we are taken by some of the perks of the office. It has been a pattern of abuse from administrations for several generations, Republican and Democrat alike.

Let me ask you this, though. We've been talking about abuses. This committee, Congressman Bartlett, has made the recommendation of having an Office of Inspector General in the White House. My question to you is, if the White House followed through on that recommendation and had the Office of Inspector General, do you think some of the abuses that we're hearing about today from travel that appears to be excessive on the surface, of not only the President and the First Lady but administration officials, would have been toned down and possibly curbed if that office had been set up some time ago?

Mr. BARTLETT. Well, I think that this would certainly give the perception of public disclosure. If there is this kind of office in the White House, you would suspect that they would be looking at things. I think that there would be a great deal more accountability if there was the perception that this was going to be looked at.

I think, in the past—and this was systemic for a number of years through all of the bureaucracy—that it just wasn't looked at. You could do it, and it was the customary thing do, and nobody would care.

This was the thing that kind of caught us in this helicopter incident, that it was just so inconceivable to most people in the real world that, in the middle of the work week, you could take off work and take the top two—and by the way, these were the top two Presidential helicopters—and go out to a golf outing.

I stressed over and over then, and I do it again now, that the problem was not so much the aides that did that. The problem was the system that permitted them to do that. That's where we wanted the focus then, and I'm glad that's where you're putting the focus now.

I would just like to ask the panel, if I might, do you think that it would be appropriate to have public disclosure of the past records? Do you think that there would be—obviously making sure that we don't have any national security problem when it's a military record—but do you think it would be helpful to make public some of the OMB and GSA reports that are now not made public? Do you have any problem with making those public? Do you think that this would help focus attention on this so that we would have a more rapid resolution of this problem?

Mr. HORN. Mr. Buckley, your response to that.

Mr. BUCKLEY. Well, I'll give my personal opinion.

Mr. HORN. Yes.

Mr. BUCKLEY. Having not seen either of those products, I don't know what they would disclose that would be understandable to the public.

Mr. BARTLETT. That was my next question. Is it formatted in such a way that the public would understand it, or would it need to be reformatted so that the public could understand what really had happened?

Mr. BUCKLEY. I think the GSA witness might be able to help us answer that question. In just looking at the GAO report, Appendix 1, it lists the most frequent senior-level travelers. The first person is General Lowe, commander, Air Combat Command, 414 flights over a—what—3-year period.

That doesn't tell you anything. It doesn't tell you what those flights were all about. It's meaningless. So if you're going to disclose, in my personal opinion, you've got to disclose fully so the people can make a value judgment, and all these flights are going to be subjective. Someone's going to make a decision on a go no-go basis.

Mr. HORN. I think, on that point, I'm told there were 12 cases somewhat like General Ashy's case. Did the Inspector General have access to those 12?

Mr. BUCKLEY. Yes, sir, we did.

Mr. HORN. Do you want to file them for the record?

Mr. BUCKLEY. If you would like them, we will do that.

Mr. HORN. Let's take a look at them. I think Mr. Bartlett raises a very good question. Obviously, if you're a General in charge of a major command, you ought to be out in the field seeing what's going on. General LeMay used to land at midnight on the Strategic Air Command base, just to see if they were awake. That does tune the organization up.

As you say, the number of trips is not the question, if it's mission-oriented. I must say, one thing that confuses me as I read this pile of stuff is the mission orientation and how mission is defined. The military is very good at defining missions. Civilian agencies are very poor at defining missions. So how do we know when a trip is really mission-oriented? Has that been looked at by GAO and, in the case of the Pentagon, by the Inspector General?

Mr. BUCKLEY. Sir, for the DOD, we have not done a systemic look at all this travel. Most of the time, we're responding to individual complaints to the Defense hotline, when someone sees something on the ground and says, "That's not right that that Colonel got on that plane and did that," and they call in. Or "That's not

right that that fellow got in a Government vehicle and went to the supermarket."

Thousands of calls into the Defense hotline. Those cases are looked at individually, and that's the way we've approached it in the past. We've not done a systemic audit.

Mr. HORN. Well, you're saying you're reactive.

Mr. BUCKLEY. That's correct.

Mr. HORN. Yes.

Mr. BUCKLEY. More pro-active in looking at the big picture.

Mr. HORN. Don't you think it's time the Inspector General did a systemic audit of Pentagon travel, especially since the Joint Chiefs have taken this action, or proposed this action?

Mr. BUCKLEY. Yes, sir. With the GAO, in the way the Joint Chiefs came up with this number of 391, we can certainly assist them in that and, at the same time, look at the way that these October and December memorandums have been implemented.

Mr. HORN. I think it would be a good suggestion to look at the working papers as to how we got 391. Did a captain who's on the Joint Staff and would like to chair it some day just pick that out of the air, or is there actually some great, sophisticated analysis that underlies that number? The gentleman from Florida, Mr. Scarborough.

Mr. SCARBOROUGH. And continuing on the question regarding DOD use of travel, I'm a member of the National Security Committee. As a member, we've heard time and time again the committee staff or others saying, if we want to take trips across the country to inspect military bases and installations, that we could do that in such a way that would allow those pilots that need time in the air to train. And, of course, we've been talking about the General and his cat throughout the hearing this morning.

How much of that is legitimate, though, even moving Generals around and Colonels around and others around, where you actually do have a situation where transporting a General or transporting somebody else that needs to travel anyway actually is being of benefit to the service because you're helping the pilots with training time?

Mr. BUCKLEY. That's a very good point, Congressman Scarborough, that the planes that we have—the Air Force has, and the other military services—are going to fly anyway, because those air crews have to remain—to a certain extent, those air crews have to remain competent and within the required—they have to fly, land at installations or runways that are unfamiliar to them.

Those planes are going to go up, and we've got the active air crew, and we have the reserve air crew, the Guard air crews. There's a lot of people. There's a lot of redundancy that's built in, in case we have a conflict and those people start being shot down, we've got an extra layer, of course, of military people, the backfill.

They have to remain current if they're going to be any good. You can't wait until a contingency erupts and then have to throw them into a training pipeline. So yes, those flights are going to go up. We have not studied whether or not there has been abuse. Yes, we have investigated individual abuses, but we've not conducted a review of all of them to pick out subjectively what we consider to be abuse.

Mr. SCARBOROUGH. But the fact of the matter is—just playing devil's advocate for a moment here, not with you, but some of the questions regarding the General and other military trips—it would actually cost the Federal Government more money if, let's say, we completely banned certain travel time, because not only would you be paying for the training time for the pilots, but then you would also be paying for the commercial air flight on top of the training time.

Let's take the General's trip, for instance. You don't know whether, during that trip, the pilot that flew him needed the training time or not, do you?

Mr. BUCKLEY. We do.

Mr. SCARBOROUGH. You do?

Mr. BUCKLEY. Yes, sir.

Mr. SCARBOROUGH. Did he?

Mr. BUCKLEY. There was a double air crew on board that C–141, and we determined that none of those pilots, copilots, engineers needed that training. They were current. Of course, the fact that they flew then bumped them up even more current.

But they had just returned from Russia. They had already been up in the air and done everything they needed to do, from a training perspective, and they were turned around in 24 hours to take care of this dedicated flight for General Ashy.

Mr. SCARBOROUGH. So that actually could be something we could build on, where we actually could put a rule in place to say that if you are going to be taking military personnel around—Generals or Admirals or Colonels or whatever—that you would need pilots on board that actually need the time.

Mr. BUCKLEY. Right. You know, this isn't something that's done in a vacuum. The Air Mobility Command, when there's cargo abroad or here in CONUS that needs to go abroad, they select air crews that are coming up on a list that need the training, whether they be active or reserve, and make them move the cargo. That moves the cargo, first of all, and also updates their training status.

So there is a plan involved. We found that in this specific case, no one considered the plan. The plan was to get General Ashy back, and it was done in that culture.

Mr. HORN. Well, if I might interject a minute, isn't the truth of the matter we would never have known about this if two retirees had not been refused access to that trip? It's standard practice, in most military air bases, that if you're a retiree or you're a reservist or you're even active duty, you want to catch a ride home, you sort of wait around to see if there's a plane going in your direction. Sometimes you wait 3 days.

Mr. BUCKLEY. Sure.

Mr. HORN. And you get on board on a space available basis.

Mr. BUCKLEY. You're absolutely correct.

Mr. SCARBOROUGH. My final point, final question on this round, would be just asking you all if you do see a difference between, let's say, Hazel O'Leary using Madonna's jet to go abroad or White House staff using a helicopter to go golfing with, let's say, some of the problems we've seen in the military's use of planes, or do you find the level of abuse and waste to be as severe in the DOD as, let's say, some of the examples of Hazel O'Leary?

Mr. BUCKLEY. Sir, once again, we've not done a comparative analysis or a systemic review, top to bottom, to determine that. We generally—the Department of Defense—do not use contract air. If a dedicated flight is needed, we've got our aircraft.

The Department of Energy did not have a plane that big. They could have come to the Air Force and received it and reimbursed the Air Force. They chose to go the route that they did. So I don't have the answer to your question, because they're two different things, apples and oranges.

Mr. SCARBOROUGH. Thanks. Thank you, Mr. Chairman.

Mr. HORN. Are there any further questions by members of the panel? Mr. Bartlett, do you have any further questions? I thank you very much for coming.

Mr. WILLIAMS. Thank you.

Mr. GEBICKE. Thank you.

Mr. HORN. We appreciate your expertise that you bring to this difficult problem.

Our next witness is Mr. Peter Zuidema, the Director of the Aircraft Management Division of the Federal Supply Service of the General Services Administration.

[Witnesses sworn.]

Mr. HORN. We welcome you to the hearing, and you know the procedure here is to put your written statement in the record, and if you would summarize it in 5 minutes, then we can get the questions. Don't worry, we won't ask you to leave until we have most of the story out. So, please proceed.

Mr. ZUIDEMA. Yes, sir.

STATEMENT OF PETER ZUIDEMA, DIRECTOR, AIRCRAFT MANAGEMENT DIVISION, GENERAL SERVICES ADMINISTRATION

Mr. ZUIDEMA. Mr. Chairman and members of the subcommittee, I am Peter Zuidema, Director of the Aircraft Management Division for the General Services Administration. I appear before the subcommittee today to discuss GSA's roles and responsibilities in the management of Federal Government executive branch aircrafts, particularly use of such aircrafts for travel by senior Federal officials.

Federal civilian aircrafts perform a variety of missions, including law enforcement; fire fighting; search and rescue; humanitarian assistance; oceanographic, atmospheric, and aerospace research and development; land, fish, wildlife, and natural resources management; and passenger and cargo transport.

GSA maintains a single coordinating office for the aircraft management. Responsibilities assigned to this office include recommending policies in numerous aircraft management areas, including procurement, cost accounting, operations, training, safety, and disposal; operating a centralized aircraft management information system; developing other generic aircraft management systems and tools; providing training and technical assistance; collecting aircraft management data; preparing aircraft management reports; and maintaining an interagency aviation working group to advise GSA.

Regarding the last item, since 1989 GSA has chaired and administered the Interagency Committee for Aviation Policy—that's

known as ICAP. The ICAP consists of senior representatives from all Federal departments and agencies with aircraft programs.

Now, I'll briefly discuss two areas, the Federal Aviation Management Information System and the use of Federal aircrafts for transportation of passengers.

First, the Federal Aviation Management Information System—it's known by the acronym, FAMIS. The FAMIS contains an abundance of information, including data on Federal civilian agency—this excludes the Department of Defense in the areas I'm about to talk about—data on Federal civilian agency aircraft inventories, operating costs, and flight hours; and operating costs and flight hours for contract, charter, and rental aircrafts.

Federal civilian departments and agencies must report such data annually to GSA by January 15th for the preceding fiscal year. In this area, GSA checks the reported data against previous GSA FAMIS data, GSA property management records, and FAA aircraft registry.

After GSA reconciles any discrepancies with applicable civilian departments and agencies, we publish a consolidated annual report and deliver it to OMB. Upon request, GSA also provides this report to others, including Inspectors General, GAO, the public, Congress, and the media.

According to the last report, the fiscal year 1994 FAMIS report, the Federal Civilian Aircraft Fleet consisted of 1,596 aircrafts with annual operating costs of $883 million. Contract, charter, and rental aircrafts accounted for additional annual operating costs of $204 million. I know you cited these in your opening statement. I just make the point that these are not all involved in passenger transport. They cover a variety of missions that I talked about before.

Now, I'll turn to the use of Federal aircrafts for travel by senior officials. In general, Federal aircrafts can be used only for official purposes, and official purposes include performing agency mission activities, like firefighting, search and rescue, research and development; use for meeting the scheduling, communications, or security needs of certain designated officials; and supporting official travel on agency business.

Official travel on Federal aircrafts is authorized only when commercial airlines and other aircrafts, including charters, are not reasonably available; the cost of using a Federal aircraft is not more than commercial airlines or other aircraft services; or a Federal aircraft is in use primarily for mission requirements and official travel is secondary.

Space available travel on Federal aircrafts may also be authorized if the aircraft is in primary use for official purposes and the space available travel does not require a larger aircraft or results in no, or only minor, additional costs and appropriate reimbursement is provided.

All travel on Federal aircrafts must be approved by the department or agency head or officials designated by the department or agency head. A cost comparison must be performed for approval on the basis that the cost of using a Federal aircraft is not more than commercial airline or other aircraft service.

Now, I'll talk about the Senior Federal Travel Reports. OMB Circular No. A–126 initially established a requirement to report non-

mission travel on Federal aircrafts by senior Federal officials, dependents, and non-Federal travelers. The circular defines senior Federal officials as executive branch employees, except for active military officers, who are paid at or above the minimum SES salary level. This requirement went into effect in fiscal year 1993.

Subsequently, the Presidential Memorandum and OMB Bulletin No. 93–11 established an additional requirement to report all travel—this would include both mission and non-mission—by senior executive branch officials on Federal aircrafts.

Senior executive branch officials were defined in the Memorandum and OMB Bulletin as Presidential appointees who are subject to Senate confirmation and all civilian employees of the Executive Office of the President. This requirement went into effect in fiscal year 1994, and GSA consolidated these requirements in a regulation.

GSA compiles a consolidated semi-annual Senior Federal Travel Report and provides it to OMB. Upon request, GSA also provides the report to others, including IG's, GAO, the public, Congress, and the media.

I'll note that exemptions to the reporting requirements include travel on aircraft in use by or in support of the President or Vice President and travel by active duty military officers.

I'll conclude by saying that I appreciate the opportunity to provide clarification or further details, and I look forward to your questions.

[The prepared statement of Mr. Zuidema follows:]

FINAL

STATEMENT

OF

PETER ZUIDEMA

DIRECTOR OF AIRCRAFT MANAGEMENT DIVISION

OF

GENERAL SERVICES

U.S. HOUSE OF REPRESENTATIVES

SUBCOMMITTEE ON
GOVERNMENT MANAGEMENT, INFORMATION AND TECHNOLOGY

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

December 29, 1995

Mr. Chairman and Members of the Subcommittee. I am Peter Zuidema, Director of the Aircraft Management Division for the General Services Administration (GSA). I appear before the Subcommittee today to discuss GSA's roles and responsibilities in the management of Federal Government Executive Branch aircraft, particularly use of such aircraft for travel by senior Federal officials.

BACKGROUND

Federal civilian aircraft perform a variety of missions including law enforcement; fire fighting; search and rescue; humanitarian assistance; oceanographic, atmospheric, and aerospace research and development; land, fish, wildlife, and natural resources management; and passenger and cargo transport. The GSA's roles and responsibilities in the management of Federal aircraft are derived from the Office of Management and Budget (OMB) Circular No. A-126, "Improving the Management and Use of Government Aircraft", revised May 22, 1992; Presidential Memorandum, "Restricted Use of Government Aircraft", dated February 10, 1993; and OMB Bulletin No. 93-11, "Fiscal Responsibility and Reducing Perquisites", dated April 19, 1993.

In general, the above documents direct GSA to maintain a single coordinating office for aircraft management. The responsibilities assigned to this office include: recommending policies in numerous aircraft management areas including procurement, cost accounting, operations, training, safety, and disposal; operating a centralized aircraft management information system;

developing other generic aircraft management systems and tools; providing training and technical assistance; collecting aircraft management data; preparing aircraft management reports; and maintaining an interagency aviation working group to advise GSA. Regarding the last item, since 1989 GSA has chaired and administered the Interagency Committee for Aviation Policy (ICAP). The ICAP consists of senior representatives from all Federal departments and agencies with aircraft programs.

The GSA implements applicable aircraft management responsibilities in Federal Property Management Regulations (FPMR) Part 101-37--Government Aviation Administration and Coordination. The GSA coordinates the FPMR with OMB and ICAP prior to publication in the Federal Register. I will briefly discuss two FPMR Subparts that pertain to the Federal Aviation Management Information System and the use of Federal aircraft for transportation of passengers.

FEDERAL AVIATION MANAGEMENT INFORMATION SYSTEM

The FPMR Subpart 101-37.5 addresses the Federal Aviation Management Information System (FAMIS). The FAMIS contains an abundance of information including data on Federal civilian agency (i.e., excluding Department of Defense) aircraft inventories, operating costs, and flight hours; and operating costs and flight hours for contract, charter, and rental aircraft. Federal civilian departments and agencies must report such data annually to GSA by January 15 for the preceding fiscal year.

The GSA checks the reported data against previous GSA FAMIS data, GSA property management records, and the Federal Aviation Administration (FAA) aircraft registry. After GSA reconciles any discrepancies with applicable civilian departments and agencies, GSA publishes a consolidated annual report and delivers it to OMB. Upon request, GSA also provides the report to others including Inspectors General, the General Accounting Office (GAO), the public, Congress, and the media.

According to the fiscal year 1994 FAMIS report, the Federal civilian aircraft fleet consisted of 1,596 aircraft with annual operating costs of $883 million dollars. Contract, charter and rental aircraft accounted for additional annual operating costs of $204 million dollars.

USE OF FEDERAL AIRCRAFT FOR TRAVEL BY SENIOR OFFICIALS

The FPMR Subpart 101-37.4 contains policies and procedures for use of Federal aircraft (including DOD aircraft) for transportation of passengers including approval, justification, documentation, and reporting of travel by senior Federal officials.

In general, Federal aircraft can be used only for official purposes. Official purposes include performing agency mission activities (e.g. fire fighting, search and rescue, research, etc.) meeting the scheduling, communications or security needs of certain designated officials; and supporting official travel on agency business. Official travel on Federal aircraft is authorized only when commercial airline or other aircraft service (including charter) is not reasonably available; the

cost of using a Federal aircraft is not more than commercial airline or other aircraft service; or a Federal aircraft is in use primarily for mission requirements and official travel is secondary. Space available travel on Federal aircraft may be authorized if the aircraft is in primary use for official purposes; the space available travel does not require a larger aircraft; the space available travel results in no, or only minor, additional costs; and appropriate reimbursement is provided for the space available travel.

All travel on Federal aircraft must be approved by the department or agency head or official(s) designated by the department or agency head. A cost comparison must be performed for approval on the basis that the cost of using a Federal aircraft is not more than commercial airline or other aircraft service. The variable cost of using the Federal aircraft is compared to the cost of the Government contract fare, if any, or the lowest fare or price available. The cost comparison may also include any differences in the cost of ground travel, per diem, lost work time, and other miscellaneous travel expenses between using Federal aircraft and commercial airline or aircraft services.

The OMB Circular No. A-126 initially established the requirement to report non-mission travel on Federal aircraft by senior Federal officials, dependents, and non-Federal travelers. The Circular essentially defines "senior Federal officials" as executive branch employees, except for active military officers, who are paid at, or above , the minimum Senior Executive Service salary level. This requirement went into effect in fiscal year 1993. The Presidential Memorandum and OMB Bulletin No. 93-11 established the additional requirement to report all travel (both mission

and non-mission) by "Senior Executive Branch Officials" on Federal aircraft. "Senior Executive Branch Officials", as defined by the memorandum and OMB bulletin are all Presidential appointees who are subject to Senate confirmation, and all civilian employees of the Executive Office of the President. This requirement went into effect in fiscal year 1994. FPMR Subpart 101-37.4 consolidated these requirements.

Under OMB Circular No. A-126, semi-annual Senior Federal Travel Report submissions are due from the departments and agencies to GSA by May 31 for the period covering October 1 through March 31, and by November 30 for the period covering April 1 through September 30.[1] The GSA compiles a consolidated semiannual Senior Federal Travel Report and provides it to OMB. Upon request, GSA also provides the report to others including Inspector Generals, the General Accounting Office (GAO), the public, Congress, and the media.

Report elements include (i) names of the travelers; (ii) aircraft registration numbers; (iii) purposes of the flights; (iv) flight dates and times; (v) destinations; (vi) corresponding commercial costs had the traveler used commercial airline or aircraft service; (vii) allocated share of the full operating costs of the aircraft; (viii) required reimbursement amounts; and, (ix) accounting data for the reimbursements. Exemptions to reporting requirements include travel on aircraft in use by or in support of the President or Vice President, and travel by active duty military officers. Each agency that schedules or arranges the use of a Federal aircraft,

[1] The Senior Federal Officials covered by the report are identified in OMB Circular No. A-126, Sec. 5 (e), 57 F.R. 101 at 22150 (May 26, 1992).

whether its own aircraft or another agencies' aircraft, is responsible for reporting the travel on that aircraft.

CONCLUDING REMARKS

I have generally described GSA's roles and responsibilities in improving the management of Federal aircraft, particularly in the areas of the FAMIS, senior Federal official travel, and related management data and reports. We have previously provided the Subcommittee with copies of OMB Circular A-126, OMB Bulletin No. 93-11, FPMR Part 101-37, and all Senior Federal Travel Reports to date.

We appreciate the opportunity to provide clarification or further details, or to discuss other pertinent GSA and ICAP projects, strategic plans, and tactical objectives. We look forward to your questions today and to working with you in the future.

Mr. HORN. Well, I thank you very much. You note in your testimony that you talked about the Senior Federal Travel Report, which is a semi-annual report and that you make that available to the public and the media upon request.

Mr. ZUIDEMA. Yes.

Mr. HORN. How many times this last year have you had such requests, and have you had a chance to respond to all of them? Is there much volume and interest in this area?

Mr. ZUIDEMA. In the past year, more than usual. I anticipated that question, and I looked it up—18, primarily to IG's, GAO, Congress, and the media.

Mr. HORN. Eighteen requests?

Mr. ZUIDEMA. Eighteen. I think the highest before then was about seven.

Mr. HORN. And that's asking about specific cases of travel?

Mr. ZUIDEMA. No. They want reports, all of them, going back, in most cases, all the way back to fiscal year 1993.

Mr. HORN. I see. Now, what sort of information did they get out of that report, and is the report designed along the line that has been discussed here so you really know what is going on and not buried somewhere just in destination?

Mr. ZUIDEMA. They're getting better. The early reports—we would get submissions in a variety of formats. We would get them on diskette in an automated format for our FAMIS system, very few at first. We would get them on senior Federal travel forms. We had a large volume of those. And we would get them in custom design. So, early on, it was very difficult to design a report that was user friendly.

For the last series of Senior Federal Travel Reports, we decided that we just had to take the time to punch the data into our FAMIS system so that it would be more readable. And we're still redesigning the format.

Mr. HORN. On the form, do you ask the basic question, "Is this travel mission-oriented?"

Mr. ZUIDEMA. Oh, yes, that's one of the elements.

Mr. HORN. OK.

Mr. ZUIDEMA. Mission, official travel, required use.

Mr. HORN. Just in your review of these forms, since you're really the person on top of it, more than anybody else in the Government, are they all mission-oriented when they file, or is there another category where this is a non-mission-oriented trip?

Mr. ZUIDEMA. Well, they're filed under, basically, three categories—mission, required use, or official travel. I couldn't tell you what the percentages are.

Mr. HORN. On the mission-oriented, do you think that is a clearly defined matter so one knows what that means when they check that box? What's your feeling, your gut instinct?

Mr. ZUIDEMA. Well, it is to me. I'm not sure it would be to others. It is a matter of interpretation.

Mr. HORN. Sure. Do you feel there's confusion on that in the various agencies?

Mr. ZUIDEMA. I would suspect so.

Mr. HORN. What could be done to sort of eliminate the confusion and give that question a little more focus so you have a way to judge whether this trip is necessary?

Mr. ZUIDEMA. Well, let me backtrack.

Mr. HORN. And the urgency.

Mr. ZUIDEMA. I'm sorry.

Mr. HORN. And the urgency of the trip. That's one excuse, I'm assuming, for not going commercial in some cases, that, "Gee, we've got to get out there." That's understandable, if that's mission-oriented and you've got an earthquake or a fire or whatnot, you want to be there, and you want to be there with your staff, and you want to help the taxpayers and the customers that pay the bills.

Mr. ZUIDEMA. Yes, sir, and that, in my mind, would be a mission.

Mr. HORN. Sure.

Mr. ZUIDEMA. On other travel, if commercial service is unavailable within 24 hours, a reasonable amount of time, or there are some other exigencies, then you can also go on Government aircrafts by the policy.

Mr. HORN. If you could wave a wand and redesign the policy, since you're at the receiving end of one aspect of this policy, what would you do to improve the situation, given what you've heard here today?

Mr. ZUIDEMA. Well, I think the policy is fairly clear. I know I just said that there is room for interpretation on the missions, but missions are defined, and I defined some of them, but they are a matter of interpretation. I think the real problem is in communications, controls, and systems.

People have talked about communications here with a focus on the outside people exercising some oversight, getting information. I'm talking about a different kind of communications, really, communications within the agencies from the people who know the policies and procedures, and then clearly communicating them up the line to the senior Federal officials so that they're aware; then putting controls in place so that there are no abuses of the system.

Mr. HORN. So, certainly, one major role in an agency is to have a training policy and an orientation policy, when people come into the agency, whether they come under that policy or not, just a matter of when does one do something and under what circumstances it's in the public interest. Because anything we do as a public servant—be we in the legislative branch, judicial branch, or executive branch—is judged by another standard than what you have in the private sector, let's say, or the nonprofit sector.

So how would you do that? Do you think there's a lack of proper orientation as you grapple with these reports that are headed in your direction and we need to get better personnel practices in the agency? Certainly I would think you can't abide by a policy if you don't know it exists and you don't know what the parameters are.

Mr. ZUIDEMA. Yes. Well, that would certainly be helpful. I think that the people in aircraft management within the agencies need to be communicating with the people responsible for overall travel and, that way, make them aware of the policies for travel on aircraft management.

Mr. HORN. Now, do you know, in GSA, at what level the various forms that are sent to you have cleared in these agencies? Do we have that laid out somewhere, who's doing what in what agency?

Mr. ZUIDEMA. No. We have, obviously, points of contact that we work with, and we know the levels at that agency. How they're cleared within their agencies, I wouldn't know.

Mr. HORN. Because I think that's an important point. I think staff ought to followup with the General Accounting Office and the appropriate Office of Management and Budget offices to find out what level of clearance are we talking about. Because you need clear policies, No. 1, in this area.

You need a level of clearance that can enforce a "no" and not have to supinely submit to every request that comes in the direction of that person, where the Secretary either appoints an assistant or somebody that has the position. And then you need what has been said by everybody—members of the panel, Mr. Bartlett of Maryland, and so forth—you need some disclosure system.

Now, you're the disclosure system, in a sense. Then the question is, does the report make any sense? So if the average citizen or reporter or whoever or Member of Congress asks for them, they could tell, did this trip make any sense? We can cover all sorts of things.

I notice conferences by the agency really don't have to be reported on, but if you go to another conference not sponsored by the agency, that has to be reported on. That sort of struck me with a certain amount of bemusement. The agency conferences can be as unnecessary as the non-agency conferences, but that's a judgment call. How do you get that process for people to think about it before they do it is really what we're after.

Mr. ZUIDEMA. I'm sorry?

Mr. HORN. How do you get a process that people think about what they're doing before they do it? That's really what this process is, and that reporting process that you're at the recipient end of was designed to be helpful in that regard.

I take it from your answers you're not particularly convinced that type of report meets the needs that everybody has been talking about here. Where do you find abuse in the executive travel area? That's why I'm interested in your opinion, because you're on the recipient end of this and most of us aren't.

Mr. ZUIDEMA. Is the question, based on the reports, where do I find abuse?

Mr. HORN. Yes. In other words, when you look at those reports, do they make any sense to you, or do you say, "Hey, we ought to redesign this thing"? How do you feel?

Mr. ZUIDEMA. It's a quandary, because we collect a lot of data.

Mr. HORN. Right.

Mr. ZUIDEMA. And it's a matter of what we want to display. It seems that every time we redesign the report, we leave out data that people want to know about. So to have a summary report is kind of difficult to do.

Where do I see problem areas in the report? You touched on one—mission. You know, is it a mission flight? That's the agency call. They may think it's a mission flight; others may think that it's not a mission flight. It's not a mission of the agency.

Other areas, I would guess, would be in the cost comparison. Now, cost comparisons are only required when it's other official travel. So they're not going to be in there if it's a mission or required use. How did they come up with those cost comparisons? And sometimes they're not there at all, even though they should be. Sometimes the numbers look questionable.

Mr. HORN. OK. When they're not there at all, do you ship that back to the agency?

Mr. ZUIDEMA. No. We're not manned or staffed to perform an audit function, but I can tell you that, as I mentioned before, we've given these reports to—well, the IG and GAO has been resident in GSA since I've been there—2 years—and long before, and they've been resident in the agencies, as well, looking at these reports.

I presume they're asking those kind of questions, which is helpful. If what they're going to do is say, "GSA, you should be auditing these reports," we're simply not staffed or funded to do that function.

Mr. HORN. Give me a feeling on this. How many reports come in a day? Do these just automatically come in within a certain period? How does this work from the agencies?

Mr. ZUIDEMA. No, they come in—for the first half of the fiscal year, which would be from October 1st to March 31st, we require that they submit them by May 31st, so they come in.

Mr. HORN. OK. So an October 1st trip taken within an agency does not appear at GSA until possibly May of the next year; is that correct?

Mr. ZUIDEMA. Yes, sir.

Mr. HORN. So it's an 8-month lag.

Mr. ZUIDEMA. Yes, sir.

Mr. HORN. So, even if someone asked for the information—they had a suspicion or something—GSA is not the place to find those data at that point?

Mr. ZUIDEMA. That's right.

Mr. HORN. You would go to the agency and say, "Hey, what gives here?"

Mr. ZUIDEMA. Yes. And the agencies are clearly responsible for reporting to GSA accurate information and—I was going to say "timely," but timely, in my mind, means by May 31st.

Mr. HORN. Let me ask staff. Has the General Accounting Office looked at that aspect so far, where they go into GSA, take a sample of the reports that have been filed under the semi-annual rule, and said, "Does this make any sense?"

And you're saying GSA doesn't have either the personnel assigned or whatever to go over there and say, "Hey, why didn't they fill in the commercial cost comparison data?" in which case you ship it back and say, "Hey, folks, fill out the form before you send it to us," this kind of thing.

Have they done any studies such as that?

Mr. NEDD. In conversations I've had with GAO, I guess over the last 4 months or so, I spoke to them specifically about this when we thought this might be coming up at an earlier date. They had not looked into this at all, and they were looking forward to this hearing.

Mr. HORN. Well, I think, between staff, GAO, and myself, we ought to work out a study to say, "Hey, what does this stuff show us?" If it shows us nothing, so what? I mean we've got a reporting system that, A, is not timely; B, is not really monitored in the report. It's an illusion of action, and that's what concerns me.

That's why I'm asking for your advice, because you're the only one that's seeing all this stuff or has a chance to dip through a day's input. But the day's input isn't daily. The day's input is, "As long as you make it, folks, by May, if you did the trip on October 1st, you're OK."

Mr. ZUIDEMA. Yes.

Mr. HORN. Do we know agencies that don't even file reports?

Mr. ZUIDEMA. There may be some. We require a negative report. Initially, we did not, but we saw that problem. How would we know?

Mr. HORN. Yes.

Mr. ZUIDEMA. That's why we require negative reports.

Mr. HORN. Well, what we ought to do is have GAO look at the flight logs on some of the obvious means of transport and say, "OK, where's the matching paper?"

Mr. ZUIDEMA. Yes.

Mr. HORN. I mean, as an executive most of my life, before I came here, I worry about a lot of paper. But when you've got a problem area, you have to deal with it somehow. Now, you've heard a lot of this testimony. Forget your own specific responsibility. You're living with this problem in part.

What would you do if you wanted to turn this lack of a cost-conscious culture—for some people. I mean 99 percent are doing the right thing, probably. But the 1 percent we have to deal with, what would you do to solve the problem?

Mr. ZUIDEMA. Again, I agree with what was said here about public disclosure, and I would go back to my previous answer on internal communications, controls, and I don't think that I talked about the third thing, systems.

Mr. HORN. Yes.

Mr. ZUIDEMA. I think you have to have systems where you can collect the data in real time and report it if required.

Mr. HORN. Right. Would that be the main point you would make on the systems, that you need a much more rapid response system there?

Mr. ZUIDEMA. You have to have a system that collects the data, first of all.

Mr. HORN. Right.

Mr. ZUIDEMA. In real time.

Mr. HORN. Yes. Well, let's translate for the average. When you say you need "a system that collects the data in real time," what's your definition of real time?

Mr. ZUIDEMA. Right after the flight.

Mr. HORN. OK. In other words, you would file it either before or after the flight. It seems to me, to get clearance at the agency to start with, you've got to before situation.

Mr. ZUIDEMA. Yes.

Mr. HORN. Then it sits around, whatever decision they made. So are you saying that we ought to get the slip on which that agency made that judgment? That ought to be the report form.

Mr. ZUIDEMA. Yes, and something's coming to my mind that I think might possibly be a solution to this dilemma. I don't know if you've heard of the Joint Aviation Logistics Information System.

Mr. HORN. I haven't. It's one of those agency functions that I have not explored. Go ahead and tell me about it.

Mr. ZUIDEMA. Well, this is—and again, this is something that DOD, I understand, is looking at to put all their OSA aircraft on that. It's a system where, as I understand it, you put in a flight request; it aggregates the flight requests; you schedule aircraft; you run a cost comparison; you make sure that it's an authorized flight; and you actually perform the flight, come back, do an after action or get a post record of the flight so that you can check whether or not—you plan the mission, but then you put in what the changes were.

For instance, if you didn't go to the destinations that you planned, or you spent more ground time, whatever. As I understand it, this system would also answer the mail for the A–126 reports. So it would be essentially available right after flight completion or soon right after that.

Mr. HORN. Yes.

Mr. ZUIDEMA. GSA has worked on an earlier version of this. That's why I have some familiarity with it. We have a system that we fielded called the Demand Logistics Management System, which is a lower end version of the Joint Aviation Logistics Information System.

We are watching what DOD is doing. Our system is kind of in prototype operational test right now; some agencies are using it. We are real interested in seeing what DOD's experience with it is going to be.

Mr. HORN. Well, that's very helpful. Does GSA have the authority to implement that in carrying out their responsibilities, or would it be OMB that has to make that decision—the Office of Management and Budget?

Mr. ZUIDEMA. Well, you know, I would have to go back and—as I recall what the policy and the regulation says, GSA can develop systems.

Mr. HORN. Right.

Mr. ZUIDEMA. But we can't enforce them. I mean we can't impose them on the agencies.

Mr. HORN. You can't, on behalf of the President? Because it's based on a Presidential directive he signed within a month of taking the oath, and then OMB acted and GSA acted, putting out appropriate documents.

Mr. ZUIDEMA. Yes.

Mr. HORN. It seems to me, if the President wanted to solve the problem—and he said he did—the agencies ought to be figuring out ways to carry out the Presidential order. It wasn't an Executive order, it was a directive, I would guess, to, as I remember reading it, heads of executive agencies. I would think that whatever GSA would do in this area would be immensely helpful in seeing that the President's desires in this area are fulfilled.

Mr. ZUIDEMA. Yes, sir. We're big advocates of these systems.

Mr. HORN. Yield to the gentleman from Virginia.

Mr. DAVIS. Thank you, Mr. Chairman. Just a couple of quick questions. If you were to put all this information that you have—your data base and all your modules—online, do you think that would help—is it doable, first of all? Do you think that would be helpful to the process?

Mr. ZUIDEMA. We are doing that now.

Mr. DAVIS. Is it done yet?

Mr. ZUIDEMA. No, it's not done yet. We've just started.

Mr. DAVIS. You had 18 requests last year, basically, but putting it online would make it more available to anybody that wanted to look at it, probably.

Mr. ZUIDEMA. Yes.

Mr. DAVIS. OK.

Mr. ZUIDEMA. And that would be useful. Again, I imagine we would get—you know, we would still have to fix the problem of how to present the data so the people could understand it.

Mr. DAVIS. Sure.

Mr. ZUIDEMA. Certainly we can't, the way things stand now, man a help line to explain these reports.

Mr. DAVIS. I don't know if the chairman asked this or not. Is there any mechanism now to assure the accuracy of the information in the reports? By that I mean do you just take the official's word, or do you do mini audits on what is reported to you? Or is your staff just so limited that's kind of impossible?

Mr. ZUIDEMA. We look at obvious things, but again, we don't make any judgments on things like mission or cost comparisons.

Mr. DAVIS. OK.

Mr. ZUIDEMA. We do have some back and forth with the agencies.

Mr. DAVIS. But I guess I would question, if you were to review a sample of reports every 6 months, do you publish the reports of those reports after you've gone back?

Mr. ZUIDEMA. Do we publish?

Mr. DAVIS. You come back and you do some review, you're saying. There is some review. Do you publish those? Are those published, or are those kept internally?

Mr. ZUIDEMA. The results?

Mr. DAVIS. The results of your reviews, yes.

Mr. ZUIDEMA. No, we just publish the reports.

Mr. DAVIS. OK.

Mr. ZUIDEMA. And we don't do an analysis. As I mentioned before, we get plenty of help from IG, GAO, the media, and Congress.

Mr. DAVIS. Fine, thanks. Let me ask a question. This committee recently held a hearing on the White House Travel Office, where we learned of new activities that the President's friend, Harry Thomason was involved in. I'm sure you've read about some of that in the media. These activities included seeking GSA contracts through the Interagency Committee on Aviation Policy, also known as ICAP.

Do you know if Mr. Thomason or his partner, Darnell Martins, ever had any contacts with your office?

Mr. ZUIDEMA. Mr. Martins—this was before I was there. Mr. Martins had a conversation with a member of my staff. It wasn't

about a contract. It was general information, as I understand it, about what we do.

Mr. DAVIS. Do you know who on your staff he talked to?

Mr. ZUIDEMA. Larry Godwin.

Mr. DAVIS. All right, thank you. Thank you very much. Just a couple of other questions. One, on the charts we were given, Dan Goldin, who is the head of NASA, took a trip on May 11, 1994. It's listed on the chart as from DCA to DCA. Do you know where he went and why he wouldn't ordinarily have reported the destination instead of just the round trip?

Mr. ZUIDEMA. No, I don't.

Mr. DAVIS. Any more knowledge of that flight?

Mr. ZUIDEMA. We see those from time to time and, again, we don't audit it. I would assume that he made a quick stop somewhere and flew right back to Washington. It was the same date.

Mr. DAVIS. All right, let me just ask.

Mr. ZUIDEMA. From the GAO reports, you know, they showed where people go most frequently.

Mr. DAVIS. OK. We know from the Senior Federal Travel Bureau report that Mr. Goldin was making a speech somewhere. We don't know where. However, the report lists that Mr. Goldin's trip cost the Government $9,570. Is that accurate, as far as you know? Is that a typo?

Mr. ZUIDEMA. It looks high, but I think it would depend on the type of aircraft that they were operating and who else was on the aircraft. That would be—supposedly, it's an allocated cost for the variable cost of using that aircraft for that trip. So it might be that high.

Mr. DAVIS. So to fly from point A to point B and back again; $9,570.

Mr. ZUIDEMA. Well, we would have to know more specifics than that.

Mr. DAVIS. That would raise a flag to me if I were looking at it. If you have any more information, I'm sure we would appreciate seeing that.

That's all the questions I have, Mr. Chairman. Thank you.

Mr. HORN. I thank the gentleman very much. I want the staff to work with GSA in putting into the record maybe 10 different examples at this point. These are the reports that your office submits, each one relating to a different agency. I just happened to be glancing at the one on the Department of State. I think we need to show a sample of how we do this now, and certainly, I think, your suggestions are very worthwhile in terms of how we might approach it on a total system basis and look at all aspects of it. But we ought to just throw in a few pages. Staff will followup with you and our first panel on some more questions that are more detailed.

If the gentleman from Virginia doesn't have any more questions, I would just say it seems to me, what I noted a few moments ago, we're talking about the need for clear policy. I think you put it very well, the level of clearance that can say no and make it stick and not have to say yes when that person comes through the door.

Certainly Cabinet officers travel, and the O'Leary situation is a good example. I haven't mentioned it, but I'll mention it just in passing. That ought to be Chief of Staff at the White House. Chief

of Staff Panetta ought to be signing off on that, and I gather he is more and more, or certainly on the White House portion he's signing off.

That stuff causes Presidents more problems than anything else you can think about, so it becomes a political judgment for high-level officials such as that—the example my colleague from Virginia raised. And then, obviously, the disclosure situation would help, as Mr. Bartlett and Mr. Scarborough and Mr. Davis and myself have all agreed.

But we thank you very much for coming. We will be sending you some questions, and we would appreciate some answers.

With that, I want to thank the people that have been involved in this hearing. I'll start with our majority staff—Russell George, the staff director and counsel; Harrison Fox, who was sitting beside me at the first panel, the expert on the executive side; and Council Nedd, who is a professional staff member, sitting with me on the GSA. He has read all these reports, you see; he's a fast reader. And Andrew Richardson, the subcommittee clerk.

And then our friends on the minority staff—Miles Romney, the counsel, and Cherri Branson, professional staff member. And our official reporter today is Jan del Monte.

Thank you all. We appreciate the work that went into the hearing.

[Whereupon, at 12:15 p.m., the hearing was adjourned.]