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POTENTIAL REDUCTIONS IN COST OF AUTOMOTIVE TRAVEL BY FEDERAL EMPLOYEES WHERE USE OF GOVERNMENT-OWNED VEHICLES IS FEASIBLE

Many employees of the Federal Government drive their privately owned cars a substantial number of miles in the performance of their duties. Frequently, the official mileage traveled by employees is at or exceeds the level at which the cost of operating an interagency motor pool car is less than the reimbursement mileage rates established by the various Government agencies. Our review of travel procedures at 14 major Government agencies showed that agencies had not been furnished information on the cost of operating interagency motor pool cars at various mileage levels and therefore were not in a position to adequately consider the alternative of providing these cars to high-mileage drivers.

Our more detailed reviews at selected field offices of the Internal Revenue Service, the Federal Housing Administration, and the Federal Crop Insurance Corporation showed that the annual cost of reimbursing high-mileage drivers for official travel exceeded the cost of operating interagency motor pool cars by about $245,000. If the mileage patterns observed were typical, the annual nationwide costs to these agencies of reimbursing high-mileage drivers for official travel exceeded the cost of operating interagency motor pool cars by about $1.6 million.

An agency can obtain the benefits from the lower cost of operating an interagency motor pool car by furnishing employees with interagency motor pool cars or by establishing a reimbursement mileage rate that gives consideration to the relative cost of operating an interagency motor pool car if an employee prefers to use a privately owned car for his personal convenience.

We recognize that there are factors other than the operating cost of an interagency motor pool car that should be considered in determining whether the use of such cars is advantageous to the Government. We believe, however, that adequate consideration of all pertinent factors would result in substantial reductions in travel costs of many agencies throughout the Government.

We brought our findings to the attention of the Bureau of the Budget and proposed that it (1) revise the Standardized Government Travel Regulations to require that consideration be given to the relative cost of operating interagency motor pool cars, in determining whether the use of a privately owned automobile is more advantageous to the Government and in establishing the amount payable on a mileage basis when employees and others rendering services to the Government elect, for personal reasons, to use privately owned motor vehicles in the conduct of official business, and (2) periodically obtain and distribute to other Government agencies information on the cost of operating interagency motor pool cars at various mileage levels.

The Bureau of the Budget has agreed that additional guidelines, including data on the cost of operating interagency motor pool cars, should be provided to agencies for use in making determinations relating to the use of cars for travel of Federal employees. We believe that such guidelines will, if properly followed, result in substantial reductions of the Government's travel costs.