

**GAO**

Testimony

Before the Subcommittee on Aviation,  
Committee on Transportation and  
Infrastructure, House of Representatives

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**NATIONAL  
TRANSPORTATION  
SAFETY BOARD**

**Issues Related to the 2010  
Reauthorization**

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# Highlights

Highlights of [GAO-10-366T](#), a testimony before the Subcommittee on Aviation, Committee on Transportation and Infrastructure, House of Representatives

## Why GAO Did This Study

The National Transportation Safety Board (NTSB), whose reauthorization is the subject of today's hearing, plays a vital role in advancing transportation safety by investigating accidents, determining their causes, issuing safety recommendations, and conducting safety studies. To support the agency's mission, NTSB's Training Center provides training to NTSB investigators and others. NTSB's 2006 reauthorization legislation mandates an annual review by GAO, and from 2006 through 2008, GAO made 21 recommendations to NTSB that address its management, information technology (IT), accident investigation criteria, safety studies, and Training Center use. This testimony addresses NTSB's progress in implementing GAO's recommendations that it (1) follow leading management practices, (2) conduct aspects of its accident investigations and safety studies more efficiently, and (3) increase the use of its Training Center. The testimony also discusses (4) changes NTSB seeks in its 2010 reauthorization proposal.

This testimony is based on GAO's assessment from July 2009 to January 2010 of plans and procedures NTSB developed to address these recommendations. NTSB provided technical comments that GAO incorporated as appropriate.

View [GAO-10-366T](#) or key components. For more information, contact Gerald L. Dillingham, Ph.D., at (202) 512-2834 or [dillingham@gao.gov](mailto:dillingham@gao.gov).

# NATIONAL TRANSPORTATION SAFETY BOARD

## Issues Related to the 2010 Reauthorization

### What GAO Found

NTSB has fully implemented or made significant progress in adopting leading management practices in all areas where GAO made prior recommendations. Since 2008, NTSB has revised several of its planning documents, including its agencywide strategic plan; improved information security; and obligated money to implement a full cost accounting system. NTSB has also taken steps to improve the diversity of its workforce and management. However, women and minorities were less well represented in NTSB's fiscal year 2008 workforce than in the federal government, and no minorities are among NTSB's 15 senior executives. A lack of diversity among top managers can limit the variety of perspectives and approaches to policy development and decision making at an agency.

With the adoption of criteria for selecting highway and marine accidents to investigate, NTSB has established criteria for all transportation modes. NTSB is also streamlining and increasing its use of technology in closing out recommendations. NTSB has three safety studies in progress and would like to broaden the term "safety studies" to include not only its current studies of multiple accidents, but also the research it does for other, smaller safety-related reports and data inquiries.

NTSB has continued to increase the use of its Training Center—from 10 percent in fiscal year 2006 to 80 percent in fiscal year 2009. As a result, revenues have increased and the center's overall deficit has declined from about \$3.9 million in fiscal year 2005 to about \$1.9 million in fiscal year 2009.

In its 2010 reauthorization proposal, NTSB seeks substantive changes to its existing authorizing legislation, including explicit statutory authority to investigate incidents in all modes and reduced statutory requirements for investigating rail and maritime accidents. Both changes would increase NTSB's investigatory discretion. Such discretion would allow NTSB to select incidents with the greatest potential to improve safety, yet decisions based on discretion may be less transparent than those based on criteria. Striking the right balance between discretionary and criteria-based investigations will be important to ensure that NTSB's resources can be used for the work with the greatest potential to enhance transportation safety.

### NTSB Investigative Modes: Marine, Highway, Aviation, Railroad, Pipeline



Source: GAO.

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Mr. Chairman and Members of the Subcommittee:

We appreciate the opportunity to testify before you today as you consider the reauthorization of the National Transportation Safety Board (NTSB). NTSB is a relatively small agency that has gained a worldwide reputation as a preeminent investigator of transportation accidents. With a staff of about 400 and a budget of \$98 million for fiscal year 2010,<sup>1</sup> NTSB is charged with investigating every civil aviation accident in the United States and selected accidents in other transportation modes, determining the probable causes of these accidents, making recommendations to address safety issues identified during accident investigations, and performing transportation safety studies. To support its mission, NTSB built a Training Center that opened in 2003 and provides training to NTSB investigators and other transportation safety professionals.

As the share of federal resources used to address the nation's long-term fiscal imbalance and other national priorities grows, funding for increases in the budgets of individual agencies becomes more uncertain. It is therefore critical for NTSB to use its resources as efficiently as possible to carry out its mission. In 2006, we conducted a broad review of the agency's management practices, examined how it carried out its activities related to accident investigations and safety studies, and analyzed whether its Training Center was cost-effective.<sup>2</sup> Since then, we have reviewed NTSB as mandated in the agency's 2006 reauthorization legislation,<sup>3</sup> and, in total, we have made 21 recommendations in these areas. In addition, in recent years, other entities have conducted reviews and made recommendations to NTSB related to information security practices and financial management. Our testimony addresses NTSB's progress in (1) following leading practices in management areas such as strategic planning, human capital management, information technology (IT), and financial management; (2) increasing the efficiency of activities related to investigating accidents, issuing recommendations, and conducting safety studies; and (3) increasing the use of its Training Center. In addition, the

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<sup>1</sup>Pub. L. No. 111-117, div. A, Title III, 123 Stat. 3034, 3107 (2009).

<sup>2</sup>GAO, *National Transportation Safety Board: Progress Made, yet Management Practices, Investigation Priorities, and Training Center Use Should Be Improved*. [GAO-07-118](#) (Washington, D.C.: Nov. 22, 2006).

<sup>3</sup>The National Transportation Safety Board Reauthorization Act of 2006, Pub. L. No. 109-443, § 5, 120 Stat. 3297, 3299, codified at 49 U.S.C. § 1138.

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testimony provides our observations on changes NTSB seeks in its 2010 reauthorization proposal.

Our testimony is based on our analysis of policies and procedures that NTSB developed in response to our recommendations and to the recommendations of the independent auditors of NTSB's information systems. To perform our analysis, we reviewed NTSB's agencywide, IT, and human capital strategic plans; office operating plans, and other relevant documents. We also visited the NTSB Training Center; interviewed NTSB's Chief Information Officer, Chief Financial Officer, and other agency officials; and updated information we have reported since 2006 (see app. I for a list of our prior work).<sup>4</sup> In addition, we performed limited testing of NTSB's laptop computers. In our analysis, we classified NTSB's progress in implementing a recommendation as limited when the agency was in the early planning stages and documents or milestones for actions did not exist or the agency did not follow leading practices. Recognizing that many recommendations may take considerable time and effort to fully implement, we classified NTSB's progress in implementing a recommendation as significant if the agency had taken steps beyond the early planning stages toward addressing the concerns. For example, NTSB might have developed documents or policies that, for the most part, followed leading practices. We classified a recommendation as fully implemented when NTSB had fully implemented plans or processes that followed leading practices. NTSB provided technical comments on a draft of this statement that we incorporated as appropriate. Finally, we reviewed NTSB's reauthorization proposal and made observations where appropriate. We conducted this performance audit from July 2009 to January 2010 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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<sup>4</sup>GAO, *National Transportation Safety Board: Preliminary Observations on the Value of Comprehensive Planning and Greater Use of Leading Practices and the Training Academy*. [GAO-06-801T](#) (Washington, D.C.: May 24, 2006); [GAO-07-118](#); and GAO, *National Transportation Safety Board: Progress Made in Management Practices, Investigation Priorities, Training Center Use, and Information Security, but These Areas Continue to Need Improvement*. [GAO-08-652T](#) (Washington, D.C.: Apr. 23, 2008).

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## **NTSB Has Made Progress in All Management Areas, but Further Actions Are Needed to Fully Implement Some Recommendations**

Overall, NTSB has fully implemented or made significant progress in following leading management practices in all eight areas that our recommendations addressed in 2006 and 2008—communication, strategic planning, IT, knowledge management, organizational structure, human capital management, training, and financial management. We made 15 management recommendations in these areas based on leading agency management practices that we identified through our governmentwide work. Although NTSB is a relatively small agency, such practices remain relevant. Figure 1 summarizes NTSB’s progress in implementing our management recommendations.

**Figure 1: Implementation Status of GAO’s Recommendations Related to NTSB’s Management**

Area	GAO recommendation	Status in 2006	Status in 2008	Current status
Communication	Develop mechanisms to facilitate communication from staff to management.	○	●	●
	Report to Congress on the status of GAO recommendations.	○	◐	●
Strategic planning	Develop a revised strategic plan that follows performance-based practices.	○	◐	●
Information technology (IT)	Develop an IT plan that includes policies and a strategy to guide IT acquisitions.		○	●
	Encrypt information/data on all laptops and mobile devices.		○	●
	Limit local administrator privileges to those accounts that require that level of access. <sup>a</sup>		○	◐
Knowledge management	Develop a knowledge management plan to create, capture, and reuse knowledge to achieve NTSB’s objectives.	○	◐	◐
Organizational structure	Align organizational structure to implement strategic plan.	○	●	●
	Eliminate unnecessary management layers.	○	◐	◐
Human capital management	Develop a strategic human capital plan that is linked to NTSB’s overall strategic plan. This human capital plan should include strategies on staffing, recruitment and retention, training, and diversity management.	○	◐	◐
Training	Develop a strategic training plan that is aligned with NTSB’s revised strategic plan, identifies skill gaps that pose obstacles to meeting the agency’s strategic goals, and establishes curriculum that would eliminate those gaps.	○	○	◐
	Develop a core curriculum for investigators that addresses the specialized needs for each mode.	○	○	◐
Financial management	Correct violation of the Antideficiency Act related to purchasing accidental death and dismemberment insurance for employees on official travel. <sup>b</sup>	○	●	●
	Correct violation of the Antideficiency Act related to NTSB’s lease of the Training Center.	○	◐	◐
	Develop a full cost accounting system to track time employees spend on each investigation and in training.	○	○	◐
<p>○ New recommendation or limited progress</p> <p>◐ Significant progress</p> <p>● Fully implemented</p>				

Source: GAO analysis of NTSB data.

<sup>a</sup>Users with local administrator privileges on their workstations have complete control over all local resources, including accounts and files, and have the ability to load software with known vulnerabilities, either unintentionally or intentionally, and to modify or reconfigure their computers in a manner that could negate network security policies as well as provide an attack vector into the internal network. Accordingly, industry best practices provide that membership in local administrator groups should be limited to only those accounts that require this level of access.

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<sup>4</sup>In 2007, we issued a legal decision finding that NTSB improperly used its appropriated funds to purchase accidental death and dismemberment insurance for its employees on official travel. NTSB does not have an appropriation specifically available for such a purpose, and the expenditures cannot be justified as a necessary expense. Because NTSB has no appropriation available to purchase accident insurance, the payments NTSB made constitute violations of the Antideficiency Act. 31 U.S.C. § 1341(a). We did not make a recommendation regarding this violation of the act because we reported the violation in a Comptroller General's decision, and such decisions do not include recommendations. GAO, Decision of the Comptroller General of the United States, B-309715, September 25, 2007, National Transportation Safety Board—Insurance for Employees Traveling on Official Business. NTSB remedied this violation through a fiscal year appropriation. Pub. L. No. 110-161, Title III, 121 Stat. 1844, 2441 (2007). A bill to reauthorize the Federal Aviation Administration, H.R. 915, 111th Cong., 2009, would provide NTSB with specific authority to purchase this insurance.

NTSB had fully implemented three of our management recommendations as of our report in April 2008—our recommendations to (1) facilitate communication from staff to management, (2) align organizational structure to implement a strategic plan, and (3) correct an Antideficiency Act violation related to purchasing accidental death and dismemberment insurance for employees on official travel. In addition, NTSB has made further progress on eight of our management recommendations since 2008. First, it fully implemented our recommendations on communication by reporting to Congress on the status of our recommendations by including the actions it has taken to address them in its *Annual Report to Congress*.<sup>5</sup> In addition, it has fully implemented our recommendation on strategic planning by linking all five mission areas in its goals and objectives and seeking external stakeholder comments. NTSB has also taken steps to implement all three of our IT-related recommendations:

- NTSB has fully implemented an IT strategic plan that addresses our comments. Moreover, in compliance with the Federal Information Security Management Act of 2002 (FISMA), NTSB has undergone annual

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<sup>5</sup>NTSB, *Annual Report to Congress 2008* (Washington D.C.: July 1, 2009).

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independent audits, hiring outside contractors to perform security testing and evaluation of its computer systems.<sup>6</sup>

- We performed limited testing to verify that NTSB has implemented our recommendation to install encryption software. Agency officials confirmed, however, that while encryption software is operational on 410 of the agency's approximately 420 laptop computers, the remaining laptops do not have encryption software installed because they do not include sensitive information and are not removed from the headquarters building.
- NTSB has made significant progress in limiting local administrator privileges while allowing for employees to add software and print from offsite locations as necessary.

NTSB has also drafted a strategic training plan that, when finalized, would address GAO guidance on federal strategic training and development efforts and establish the core competencies needed for investigators and other staff. In addition, two modal offices have developed core curricula that relate specifically to their investigators.

In addition, NTSB obligated \$1.3 million in September 2009 to the National Business Center—an arm of the Department of the Interior that provides for-fee payroll services to federal agencies—to develop a full cost

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<sup>6</sup>The Federal Information Security Management Act of 2002 (FISMA), Pub. L. No. 107-347, 116 Stat. 2899, 2946, codified as amended at 44 U.S.C. § 3541 *et seq.*, requires that each agency shall have performed an independent evaluation of the information security program and practices of that agency to determine their effectiveness. 44 U.S.C. § 3545(a)(1). Agencies that do not have an Inspector General, such as the National Transportation Safety Board (NTSB), shall engage an independent external auditor to perform the evaluation. 44 U.S.C. § 3545(b)(2). In fiscal years 2007 and 2008, NTSB contracted with Leon Snead & Company to perform the independent external audits. See Leon Snead & Company, P.C., *National Transportation Safety Board: Compliance with the Requirements of the Federal Information Security Management Act, Fiscal Year 2007* (Sept. 24, 2007), and *National Transportation Safety Board: Compliance with the Requirements of the Federal Information Security Management Act, Fiscal Year 2008* (Sept. 29, 2008). These audits, which were submitted to the Office of Management and Budget as required by FISMA, identified weaknesses in NTSB's compliance with FISMA requirements and included an assessment of the agency's actions to address recommendations in prior-year FISMA reports. Those prior reports include U.S. Department of Transportation, Office of Inspector General, *Information Security Program: National Transportation Safety Board*, Report No. FI-2006-001 (Washington, D.C.: Oct. 7, 2005); and *Information Security Program: National Transportation Safety Board*, Report No. FI-2007-001 (Washington, D.C.: Oct. 13, 2006).

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accounting system for NTSB based on a statement of work. NTSB officials said that the first phase of the cost accounting system will be implemented late in fiscal year 2010. When the system is completed to permit recording of the time and costs of investigations and other activities, including training, this action will fully implement our recommendation.

The remaining four management recommendations have not yet been fully implemented. However, NTSB has initiated actions that could lead to their full implementation. For example, NTSB has continued to improve its knowledge management by developing a plan to capture, create, share, and revise knowledge, and the agency is deploying Microsoft SharePoint® to facilitate the sharing of useful information within NTSB.

In April 2008, we reported that NTSB had made significant progress in implementing our human capital planning recommendation by issuing a human capital plan that incorporated several strategies on enhancing the recruitment process. However, we also said the plan was limited in some areas of diversity management. As we have previously reported, diversity management is a key aspect of strategic human capital management. Developing a workforce that includes and takes advantage of the nation's diversity is a significant part of an agency's transformation of its organization to meet the challenges of the 21st century. The most recent version of NTSB's human capital plan establishes goals for recruiting, developing, and retaining a diverse workforce, and NTSB provided diversity training to 32 of its senior managers and office directors in May 2009. Table 1 compares the diversity of NTSB's fiscal year 2008 workforce with that of the federal government and the civilian labor force.

**Table 1: NTSB, Federal Government, and Civilian Labor Force Diversity by Percentage, Fiscal Year 2008**

Fiscal year 2008 <sup>a</sup>							
	African American	American Indian/Alaska Native	Asian/Pacific Islander	Hispanic	White	Women	Men
<b>NTSB</b>	17.0%	1.0%	4.0%	2.0%	76.0%	38.0%	62.0%
<b>Federal government</b>	17.9%	1.9%	5.4%	7.9%	66.6%	44.2%	55.8%
<b>Civilian labor force<sup>b</sup></b>	10.0%	0.7%	4.3%	13.2%	70.7%	45.6%	54.4%

Sources: Federal government and civilian labor force data are from the Office of Personnel Management's Fiscal Year 2008 Equal Opportunity Recruitment Program report. Data for NTSB are from the supplement to its strategic human capital plan.

<sup>a</sup>These are the most recent data NTSB issued on diversity.

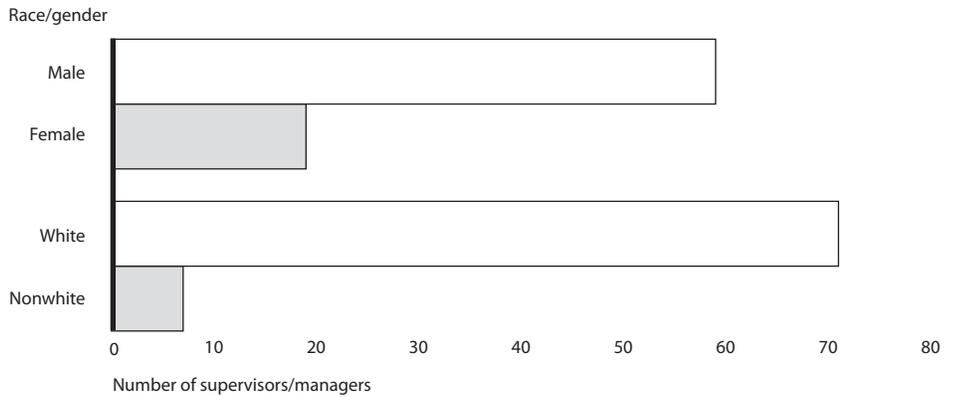
<sup>b</sup>The civilian labor force is defined as persons 16 years and older (including federal workers), regardless of citizenship, who are employed or looking for work and are not in the military or institutionalized. A minimum age of 18 years is required for most federal employment.

As the table shows, the percentages of NTSB's fiscal year 2008 workforce that were women and minorities were lower than those of the federal government. Under the Office of Personnel Management's regulations implementing the Federal Equal Opportunity Recruitment Program, agencies are required to determine where representation levels for covered groups are lower than for the civilian labor force and take steps to address those differences.<sup>7</sup>

Additionally, as of fiscal year 2008, 9 percent of NTSB's managers and supervisors were minorities and 24 percent were women (see fig. 2). Furthermore, according to NTSB, none of its current 15-member career Senior Executive Service (SES) personnel were members of a minority group, and only 2 of them were women. As we have previously reported, diversity in the SES corps, which generally represents the most experienced segment of the federal workforce, can strengthen an organization by bringing a wider variety of perspectives and approaches to policy development and decision making.

<sup>7</sup>The Equal Employment Opportunity Commission's Management Directive 715 provides guidance and standards to federal agencies for establishing and maintaining effective equal employment opportunity programs, including a framework for executive branch agencies to help ensure effective management, accountability, and self-analysis to determine whether barriers to equal employment opportunity exist and to identify and develop strategies to mitigate or eliminate the barriers to participation.

**Figure 2: Distribution of NTSB Supervisory or Managerial Positions, by Race and Gender, Fiscal Year 2008**



Source: GAO analysis of NTSB data.

NTSB has undertaken several initiatives to create a stronger, more diverse pool of candidates for external positions. These initiatives include the establishment of a Management Candidate Program that has attracted a diverse pool of minority and female candidates at the GS 13/14 level. NTSB's Executive Development Program focuses on identifying candidates for current and future SES positions at the agency. Despite these efforts, NTSB has not been able to appreciably change the diversity profile of its senior management.

NTSB's current workforce demographics may present the agency with an opportunity to increase the diversity of its workforce and management. According to NTSB, in 3 years, more than 50 percent of its current supervisors and managers will be eligible to retire, as will over 25 percent of its general workforce. Furthermore, 53 percent of its investigators and 71 percent of those filling critical leadership positions are at least 50 years old. Although actual retirement rates may be lower than retirement eligibility rates, especially in the present economic environment, consideration of retirement eligibility is important to workforce planning.

## NTSB Has Made Its Selection of Accident Investigations More Efficient, but Reporting Can Be Improved

We previously made four recommendations to NTSB to improve the efficiency of its activities related to investigating accidents, such as identifying criteria for selecting which accidents to investigate and tracking the status of its recommendations, and increasing its use of safety studies (see fig. 3).

**Figure 3: Implementation Status of GAO Recommendations Related to NTSB's Accident Investigation Mission and Safety Studies**

Area	GAO recommendation	Status in 2006	Status in 2008	Current status
Accident selection	Develop agency orders for all modes articulating risk-based criteria for selecting which accidents to investigate.			
Recommendation close-out	Computerize related documentation and use concurrent reviews.			
Report development	Identify better practices in the agency and apply them to all modes.			
Safety studies	Increase use of safety studies.			

New recommendation or limited progress  
 Significant progress  
 Fully implemented

Source: GAO analysis of NTSB data.

NTSB is required by statute to investigate all civil aviation accidents and selected accidents in other modes—highway, marine, railroad, pipeline, and hazardous materials.<sup>8</sup> Since our April 2008 report, NTSB has fully implemented our recommendation to develop transparent policies containing risk-based criteria for selecting which accidents to investigate. The recently completed highway policy assigns priority to accidents based on the number of fatalities, whether the accident conditions are on NTSB's

<sup>8</sup>NTSB also has the authority to investigate any other accident related to the transportation of individuals or property when its board decides the accident is catastrophic or involves problems of a recurring character, or the investigation would help carry out NTSB authorities for accident investigation. 49 U.S.C. § 1131(a)(1)(F).

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“Watch List,”<sup>9</sup> or whether the accidents might have significant safety issues, among other factors (see fig. 4). For marine accidents, NTSB has a memorandum of understanding (MOU) with the U.S. Coast Guard that includes criteria for selecting which accidents to investigate. In addition, NTSB has now developed an internal policy on selecting marine accidents for investigation. This policy enhances the MOU by providing criteria to assess whether to launch an investigation when the Coast Guard, not NTSB, would have the lead. In April 2008, we reported that NTSB had also developed a transparent, risk-based policy explaining which aviation, rail, pipeline, and hazardous materials accidents to investigate.<sup>10</sup>

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<sup>9</sup>The Watch List contains accident conditions that could either support previous NTSB recommendations or sustain issues being developed in accidents currently under investigation.

<sup>10</sup>NTSB conducts all of its marine, rail, pipeline, hazardous materials, and highway accident investigations at the scene of the accident. In contrast, for aviation accidents, NTSB conducts on-scene investigations of major accidents and more limited investigations of accidents not designated as major. NTSB defines a major accident as one that involves an issue that is related to a current safety study or special investigation, affects public confidence or transportation safety in a significant way, or is catastrophic.

**Figure 4: Two NTSB Investigators Assess Motorcoach Wreckage**



Source: NTSB.

The remaining three recommendations have not yet been fully implemented. However, NTSB has initiated actions that could lead to closure of two of the recommendations. NTSB's deployment of an agencywide electronic information system based on Microsoft SharePoint will allow NTSB to streamline and increase its use of technology in closing out recommendations and in developing reports. When fully implemented, this system should serve to close these two recommendations.

NTSB has also made significant progress in implementing our recommendation to increase its use of safety studies, which are multiyear efforts that result in recommendations. They are intended to improve transportation safety by effecting changes to policies, programs, and activities of agencies that regulate transportation safety. While we, the Department of Transportation, and nongovernmental groups, like universities, also conduct research designed to improve transportation safety, NTSB is mandated to carry out special studies and investigations

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about transportation safety, including studies about how to avoid personal injury.<sup>11</sup> Although NTSB has not completed any safety studies since we made our recommendation in 2006, it has three studies in progress, one of which is in final draft, and it has established a goal of developing two safety study proposals and submitting them to its board for approval each year. NTSB officials told us that because the agency has a small number of staff, it has difficulty producing large studies in addition to processing many other reports and data inquiries. NTSB officials told us they would like to broaden the term “safety studies” to include not only the current studies of multiple accidents, but also the research done for the other, smaller safety-related reports and data inquiries. Such a term, they said, would better characterize the scope of their efforts to report safety information to the public. NTSB also developed new guidelines to address its completion of safety studies.

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## NTSB Has Increased Use of the Training Center

We made two recommendations for NTSB to increase its own and other agencies’ use of the Training Center and to decrease the center’s overall operating deficit (see fig. 5). The agency increased use of the center’s classroom space from 10 percent in fiscal year 2006 to 80 percent in fiscal year 2009. According to NTSB, it has sublease agreements with agencies of the Department of Homeland Security (DHS) to rent approximately three-quarters of the classroom space located on the first and second floors. The warehouse portion of the Training Center houses reconstructed wreckage from TWA Flight 800, damaged aircraft, and other wreckage. The Training Center provides core training for NTSB investigators and trains others from the transportation community to improve their practice of accident investigation. Furthermore, NTSB has hired a Management Support Specialist whose job duties include maximizing the Training Center’s use and marketing its use to other agencies or organizations. The agency’s actions to increase the center’s use also helped increase Training Center revenues from about \$635,000 in fiscal year 2005 to about \$1,771,000 in fiscal year 2009. By reducing the center’s leasing expenses—for example, by subleasing classrooms and office space at the center to other agencies—NTSB reduced the Training Center’s annual deficit from about \$3.9 million to about \$1.9 million over the same time period.

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<sup>11</sup>49 U.S.C. § 1116(b)(1).

**Figure 5: Implementation Status of GAO Recommendations Related to Training Center Use**

Area	GAO recommendation	Status in 2006	Status in 2008	Current status
Training Center	Maximize delivery of the core investigator curriculum at the Training Center.	○	◐	◑
	Develop plans to increase use of the Training Center.	○	◐	●
<p style="margin-left: 40px;">○ New recommendation or limited progress            ◐ Significant progress            ● Fully implemented</p>				

Source: GAO analysis of NTSB data.

NTSB has made significant progress in achieving the intent of our recommendation to maximize the delivery of its core investigator curriculum at the Training Center by increasing the number of NTSB-related courses taught at the Training Center (fig. 6). For example in 2008, 49 of the 68 courses offered at the Training Center were solely for NTSB employees.

**Figure 6: NTSB Training Center**



Source: NTSB.

NTSB has fully implemented our recommendation to increase use of the Training Center. NTSB subleased all available office space at its Training Center to the Federal Air Marshal Service (a DHS agency) at an annual fee of \$479,000. NTSB also increased use of the Training Center's classroom space and thereby increased the revenues it receives from course fees and rents for classroom and conference space. From fiscal year 2006 through fiscal year 2009, NTSB increased other agencies' and its own use of classroom space from 10 to 80 percent, and increased revenues by over \$1.1 million. For example, according to NTSB, it has a sublease agreement with DHS to rent approximately one-third of the classroom space. NTSB considered moving certain staff from headquarters to the Training Center, but halted these considerations after subleasing all of the Training Center's available office space. NTSB decreased personnel expenses related to the Training Center from about \$980,000 in fiscal year 2005 to \$507,000 in fiscal year 2009 by reducing the center's full-time-equivalent positions from 8.5 to 3.0 over the same period. As a result of these efforts, from fiscal year 2005 through fiscal year 2009, Training Center revenues increased by 179 percent while the center's overall deficit decreased by 51

percent. (Table 2 shows direct expenses and revenues for the Training Center in fiscal years 2004 through 2009.) However, the salaries and other personnel-related expenses associated with NTSB investigators and managers teaching at the Training Center, which would be appropriate to include in the Training Center's costs, are not included. NTSB officials told us that they believe the investigators and managers teaching at the Training Center would be teaching at another location even if the Training Center did not exist. Once NTSB has fully implemented its cost accounting system, it should be able to track and report these expenses.

**Table 2: Direct Expenses and Revenues for NTSB's Training Center, Fiscal Years 2004 through 2009 (Unaudited)**

	Fiscal year					
	2004	2005	2006	2007	2008	2009
Expenses						
Personnel related	\$1,011,717	\$978,591	\$688,716	\$466,582	\$512,525	\$506,503
Travel	\$24,428	\$56,912	\$31,009	\$22,284	\$35,572	\$32,678
Space rental <sup>a</sup>	\$2,521,440	\$2,500,896	\$2,221,430	\$2,286,660	\$2,516,498	\$2,342,653
Maintenance/repair of buildings <sup>b</sup>	\$706,279	\$238,203	\$23,151	(\$4,215)		
Contract services	\$2,204,880	\$558,540	\$287,873	\$330,491	\$635,300	\$722,187
Miscellaneous expenses <sup>c</sup>	\$42,258	\$182,136	\$57,099	\$19,720	\$77,399	\$82,482
<b>Total expenses</b>	<b>\$6,511,003</b>	<b>\$4,515,279</b>	<b>\$3,309,277</b>	<b>\$3,121,521</b>	<b>\$3,777,294</b>	<b>\$3,686,503</b>
<b>Total earned revenue<sup>d</sup></b>	<b>\$258,760</b>	<b>\$634,800</b>	<b>\$651,191</b>	<b>\$817,555</b>	<b>\$1,630,910</b>	<b>\$1,770,996</b>
Overall deficit	-\$6,252,243	-\$3,880,479	-\$2,658,086	-\$2,303,966	-\$2,146,374	-\$1,915,507
Deficit when space rental expense is excluded	-\$3,730,803	-\$1,379,583	-\$436,656	-\$17,306	-\$453,737	-\$354,584

Source: GAO analysis of information from NTSB.

<sup>a</sup>NTSB leases the Training Center from George Washington University under a 20-year capital lease that will expire in 2021.

<sup>b</sup>The amount reported in the maintenance and repair category during fiscal year 2007 includes a refund of \$28,377 to NTSB because of a reconciliation of utility costs, as required by the lease. According to NTSB officials, in recent years, maintenance and repair expenses have been reported in the contract services category.

<sup>c</sup>Includes expenses for items such as telephone, mail, photography services, printing, office supplies, and equipment.

<sup>d</sup>Earned revenue includes imputed fees for NTSB students and sublease fees.

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## Requested Changes in NTSB’s Authority Would Provide Statutory Authority to Investigate Incidents and Reduce Required Accident Investigations

As part of the reauthorization process, NTSB has proposed both substantive and technical changes to its existing authorizing legislation.<sup>12</sup> Among the substantive changes sought by NTSB are the statutory authority to investigate incidents<sup>13</sup> in addition to its current authority to investigate accidents<sup>14</sup> in all transportation modes<sup>15</sup> and to reduce its current requirements for investigating rail and maritime accidents. Figure 7 illustrates the five transportation modes for which NTSB has investigative authority.<sup>16</sup> The proposed technical changes would serve various purposes, including clarifying particular provisions contained in NTSB’s current authorizing legislation.

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<sup>12</sup>Currently, The National Transportation Safety Board Reauthorization Act of 2009, S. 2768, 111th Cong., 2009 is pending in the Senate. A number of the provisions proposed by NTSB are contained within the bill.

<sup>13</sup>“Incident” is currently defined in regulation as “an occurrence, other than an accident, associated with the operation of an aircraft, which affects or could affect the safety of operations.” 49 C.F.R. § 830.2. This change does not address the International Civil Aviation Organization’s 2007 recommendation that the United States define “serious incident,” as other member countries have done.

<sup>14</sup>An “accident” includes damage to or destruction of vehicles in surface or air transportation or pipelines, regardless of whether the initiating event is accidental or otherwise.” 49 U.S.C. § 1101.

<sup>15</sup>NTSB proposes this statutory authority to investigate “incidents” by requesting a definitional change that would include the term “incident” within the statutory definition of the term “accident.”

<sup>16</sup>NTSB has concurrent investigative authority with all modal agencies, including the Federal Aviation Administration (FAA), the Federal Railroad Administration (FRA), and the Coast Guard. The respective roles and responsibilities of NTSB and the modal agencies are set forth in laws, regulations, and/or interagency agreements.

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**Figure 7. NTSB Investigative Modes: Aviation, Marine, Pipeline, Railroad, and Highway**



Source: GAO.

The proposed substantive change that would allow NTSB to investigate incidents would affect all modes by providing explicit authority to investigate not only accidents, as currently prescribed, but also “incidents not involving destruction or damage, but affecting transportation safety, as the Board may prescribe or Congress may direct.”<sup>17</sup> This addition does not set forth specific criteria for selecting incidents to investigate, thereby increasing the agency’s discretion. According to NTSB, this change would codify the agency’s current practice in all modes. For example, NTSB investigated and reported the facts of the Northwest Airlines overflight of Minneapolis, Minnesota, on October 21, 2009, even though it did not meet the statutory definition of an accident.<sup>18</sup>

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<sup>17</sup>NTSB believes this would clarify Congress’ intent for the agency to investigate incidents. Although NTSB does not currently have explicit statutory authority to investigate incidents, the term incidents is used in other contexts within NTSB’s current statutory authority. See, for example, 49 U.S.C. § 1116(b)(3).

<sup>18</sup>National Transportation Safety Board: Operational Factors/Human Performance, Group Chairman’s Factual Report DCA101A001. Office of Aviation Safety (Washington, D.C.: Dec. 4, 2009).

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Other proposed substantive changes would reduce NTSB's current requirements for investigating maritime and rail accidents. Specifically, one change would eliminate the current requirement for NTSB or the Coast Guard to investigate all accidents involving public vessels or any other vessel and would provide discretion to determine whether and which of these accidents to investigate. Similarly, another proposed change would limit NTSB's responsibility for investigating rail accidents by establishing more stringent criteria for triggering the requirement to investigate. However, the proposed criteria do not include definitions of certain terminology and would thus effectively give NTSB the discretion to decide which rail accidents to investigate.

Giving NTSB expanded investigatory discretion with the explicit authority to investigate incidents without specific criteria, while simultaneously limiting requirements for rail and maritime investigations, would allow the agency to use its professional judgment to determine which investigations would have the greatest potential to improve safety and make the most effective use of its resources. At the same time, however, it is important that NTSB be transparent in providing information about investigation criteria in order to assure Congress and the public that the agency's resources are being used to address priorities in accordance with its mission. Striking the right balance between discretionary and criteria based investigations will be important to ensure that NTSB's resources can be used for the work with the greatest potential to enhance transportation safety.

Other proposed substantive changes are intended to more clearly define NTSB's and the U.S. Coast Guard's respective roles and responsibilities for maritime accident investigations, which are currently governed by a December 2008 MOU with the Coast Guard and jointly issued regulations.<sup>19</sup> These changes could affect a number of existing agreements and the current governing framework, as well as the agencies involved.

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

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<sup>19</sup> 49 C.F.R. part 850.

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## Contacts and Acknowledgments

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# Appendix I: Related GAO Products

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*National Transportation Safety Board: Reauthorization Provides an Opportunity to Focus on Implementing Leading Management Practices and Addressing Human Capital and Training Center Issues.* [GAO-10-183T](#). Washington, D.C.: October 29, 2009.

*National Transportation Safety Board—Application of Section 1072 of the Federal Acquisition Streamlining Act (41 U.S.C. 254) to Real Property Leases.* B-316860. Washington, D.C.: April 29, 2009.

*National Transportation Safety Board: Progress Made in Management Practices, Investigation Priorities, Training Center Use, and Information Security, but These Areas Continue to Need Improvement.* [GAO-08-652T](#). Washington, D.C.: April 23, 2008.

*National Transportation Safety Board—Insurance for Employees Traveling on Official Business.* B-309715. Washington, D.C.: September 25, 2007.

*National Transportation Safety Board: Observations on the Draft Business Plan for NTSB's Training Center.* [GAO-07-866R](#). Washington, D.C.: June 14, 2007.

*National Transportation Safety Board: Progress Made, Yet Management Practices, Investigation Priorities, and Training Center Use Should Be Improved.* [GAO-07-118](#). Washington, D.C.: November 22, 2006.

*National Transportation Safety Board: Preliminary Observations on the Value of Comprehensive Planning, and Greater Use of Leading Practices and the Training Academy.* [GAO-06-801T](#). Washington, D.C.: May 24, 2006.

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