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REPORT TO THE SENATE COMMITTEE ON APPROPRIATIONS

BY THE CONTROLLER GENERAL OF THE UNITED STATES

1977-78 — This is the second volume in the General Accountancy Office series on fiscal management approved by the Office of Congressional Ethics.

Temporary Duty Travel in The Management And Operation Of Department Of Defense Programs

The Federal Government spends about \$2 billion each year on the management and operation of Federal programs. The Department of Defense accounts for about \$1.4 billion of this travel, including about \$870 million for temporary duty travel in fiscal year 1976. Program managers have primary responsibility for insuring the most effective use of their program budgets, including the nature and extent of travel.

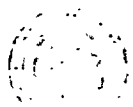
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The Office of Management and Budget should:

-Reissue its regulations to focus more specifically on the purpose of travel.

-Require managers to use their reporting systems to inform travel and accountants to insure the law is followed.

-Attain and maintain the highest standards of travel management, and review systems periodically.



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

D-5019

The Honorable John L. McClellan
Chairman, Committee on Appropriations
United States Senate

Dear Mr. Chairman:

This report, prepared in response to your October 7, 1976, request, discusses the nature and extent of Department of Defense personnel travel; the reasons for the travel; and the travel policies, procedures, and practices.

As requested by your office, our review was limited to temporary duty travel in the military service and the Logistics Agency. Two recent reports of our office on Government travel, the first, "Travel in the Department of Commerce and the Department of Health, Education and Welfare," dated 1977, discussed travel policies and procedures available to travelers for the travel and its extent at their civilian jobs. The second, a review of a defense conference held in Hawaii during fiscal year 1976 and the transition quarter, P-112, dated May 20, 1977, was performed at your request and addressed the necessity of holding conferences in Hawaii under Department of Defense auspices.

We are also currently reviewing permanent change-of-station travel within Defense for your Committee.

PROFILE OF TRAVEL

There were approximately 3 million temporary duty trips made by military service and Logistics Agency personnel for the period October 1, 1975, to September 30, 1976. The duration of the trips varied from 1 day to 22 days or more; about half of the trips were 3 to 7 days in length. The majority of travelers were military personnel of whom approximately 70 percent were First Lieutenants (Lieutenants Junior Grade in the Navy) and below. The majority of the civilian travelers were employed by the Logistics Agency. Upper management civilian and military personnel (GS-15 and

Colonel and General (Major Captains and above) only 4 percent and 3 percent of the trips, respectively. The 19-45 percent of the trips were made to attend meetings, conferences, and seminars. Twenty-three percent of the trips were for training purposes.

Most trips were to continental U.S. areas that were not in the West. Travel to continental U.S. high-cost areas was not extensive compared with total travel activities; it amounted to approximately 15 percent for civilian personnel and 5 percent for military personnel.

Appendix II described the nature and extent of travel by civilian and military personnel in the military service and the Executive Agency and makes observations where possible.

HOW TRAVEL COSTS CAN BE REDUCED

Travel is an essential element in the fulfillment of the mission of the Executive Agency and the military service. It is a necessary and often a costly activity. The cost of travel can be reduced by a number of measures. These include: (1) the use of alternate modes of transportation; (2) the use of alternate routes; (3) the use of alternate times of travel; (4) the use of alternate modes of lodging; (5) the use of alternate modes of meals; (6) the use of alternate modes of ground transportation; (7) the use of alternate modes of air transportation; (8) the use of alternate modes of rail transportation; (9) the use of alternate modes of water transportation; (10) the use of alternate modes of other transportation. These measures can be evaluated in terms of cost, time, safety, economy, effectiveness, and propriety. Decisions on the nature and extent of travel are largely ones of judgment and discretion by the program manager as to how best to accomplish program objectives while keeping within budget limits.

ROLE OF THE OFFICE OF MANAGEMENT AND BUDGET

Pursuant to the Budget and Accounting Act of 1921, the Office of Management and Budget (OMB) has oversight responsibility for Federal travel management and expenditures. Within OMB, the Office of Federal Procurement Policy has been assigned responsibility to act on all policy matters concerning procurement and related activities, including transportation and traffic management.

A Federal Procurement Policy official said that OMB believed executive agencies should have considerable authority and discretion in their handling of travel and oversight responsibilities. Thus, OMB has not actively monitored or periodically evaluated Federal agencies' travel practices.

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According to OMB budget examiners, they may occasionally review temporary duty travel when examining an agency's budget request, but such a review occurs infrequently. Examiners normally review total programs and do not single out temporary duty travel in their analysis.

OMB usually does not issue travel policies unless the President believes a policy needs to be developed or more strongly emphasized.

ROLE OF THE DEFENSE PER DIEM TRAVEL AND TRANSPORTATION ALLOWANCE COMMITTEE

Travel regulations for members of the military services and Defense civilian personnel are established by the Department of Defense Per Diem Travel and Transportation Allowance Committee. This body is charged with

- prescribing uniform travel and transportation allowances for members of the military services and
- issuing uniform regulations for Defense civilian personnel on per diem, travel, and transportation allowances and related entitlements.

The Committee is composed of a Military Advisory Panel which issues travel regulations for uniformed services personnel and a Civilian Advisory Panel which issues travel regulations for Defense civilians. Federal travel regulations issued by the General Services Administration (GSA) pursuant to Executive Order 11609 of July 22, 1971, are used by the Committee in establishing such regulations for Defense civilian personnel.

RECENT EXECUTIVE BRANCH TRAVEL INITIATIVES

Recent major travel initiatives were OMB Bulletin No. 74-9 and the 1976 Presidential Management Initiatives. OMB Bulletin No. 76-9, dated December 4, 1975, included the following purpose and policy statements.

26. Policy. This Bulletin provides guidance on the collection, management and control of travel costs. It is intended to be used by all agencies and is paid by the U.S. Government.

27. Policy. It is Administration policy that all travel necessary to carry out the purposes of the Government shall be controlled. This policy is applicable not only to travel of Government employees, but also to travel of contractors and other persons whose travel expenses are directly reflected in costs paid by the Government.

28. Each of each agency will be expected to this policy. They must start all operations and activities with this policy and place it in effect immediately. The policy is to be applied to all travel costs that are paid by the Government.

29. Agencies are requested to report to OMB by August 15, 1976, the results of year 1975 travel cost control efforts attributable to the Bulletin's implementation.

Later in December 1975 a provision was enacted--section 209 of the Supplemental Appropriations Act, 1976 (Public Law 94-157)--which expressed the sense of the Congress that the President, through the Director of OMB, take steps to restrain the inflationary impact of Federal travel expenditures. In response, on January 28, 1976, OMB issued supplement No. 1 to Bulletin 76-1, which provided specific reporting guidelines instead of the more general ones in the original bulletin. Supplement No. 2, issued July 30, 1976, suggested additional methods for controlling travel and required agencies to report on their fiscal year 1977 travel costs and savings. This bulletin and its supplement expire upon submission of the required reports.

The Presidential Management Initiative of July 27, 1976, expressed the specific actions the President expected to be taken by each agency in the following areas.

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- Decentralizing and departmental decentralization.
- Evaluating current programs.
- Reducing the burden of Federal reporting and regulations.
- Contracting out and holding down overhead costs.
- Personnel management.

As one step to curtail overhead cost, the President suggested specific actions for controlling travel. For example, agency heads were to personally review fiscal year 1976 reports of travel savings and accomplishments before submitting them to GSA in April 1976 (as required by Bulletin 76-5, et. seq.) to identify areas where greater improvement could be realized. By September 1976, agencies were to submit a report to GSA plan to further reduce travel costs in fiscal year 1977. These plans were to be submitted to GSA for their own reduction goals and to emphasize the national objectives.

With the close of our investigation, the Presidential Management Initiatives have been suspended pending review. Reporting requirements under OMB Bulletin 76-5 for fiscal year 1977 are still in effect.

On August 17, 1977, subsequent to the completion of our review that resulted in this report, OMB issued a directive to the heads of the executive departments and establishments (see app. V) to provide more stringent guidelines that would avoid participation by Federal employees in conferences not essential to their agencies. The directive is concerned with all costs of such travel, including conference fees; travel expenses; compensation for employees while attending conferences; and "hidden costs, such as the loss of time that would have been spent by employees on accomplishing specific program assignments." Particular attention is to be given to meetings held overseas. As pointed out in our March 1977 report on civil agencies, attendance at conferences, seminars, committee meetings, symposia, and workshops constituted over 23 percent of the travel in the three agencies included in our review. Trips for this purpose in one agency in our sample represented 60 percent of the total travel; in another agency the figure was 47 percent.

TRAVEL EXPENDITURES, ADVISORY COMMISSION
ON GOVERNMENT PROCUREMENT

Efficiency is element of travel programs. Both management of our country and with some state travel policies. Only in 1976-79 program, and the results to adhere to other travel practices. It did not represent 1976, change to other travel policy.

In January 1976 the Advisory Commission of 1976 (Commission) was created (the Commission) and was told that the guidelines contained in the Bulletin be used in establishing a contract office to report of travel costs. The Commission and the Advisory Commission have been by finding the guidelines to their own, with the intention to create a more efficient in travel.

On March 10, 1976, in September 1976, the Commission and the Logistics Bureau were instructed to conduct a report of 10,000 of the Commission's travel program. The Commission's report will be submitted to the Advisory Commission.

The Commission will be able to provide the Commission with a report of the Commission's travel program. The Commission will be able to provide the Commission with a report of the Commission's travel program.

Existing policies provide sound guidance for determining the necessity for and the efficiency of travel. The travel reduction measures reported by the Commission and the Logistics Agency indicate that serious efforts are being made to reduce travel.

OVERSTATED TRAVEL REDUCTIONS

GSA Bulletin 76-9 required each agency to report its fiscal year 1976 travel expenditures to GSA. GSA compiled the fiscal year 1976 expenditures to (1) fiscal year 1975 travel expenditures and (2) 1976 travel budget estimates. As a result, GSA reported a \$285 million decrease in Government travel expenditures for fiscal year 1976 as compared to fiscal year 1975. GSA also reported that fiscal year 1976 expenditures were \$1.3 billion less than the budget estimates for that year.

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These travel reductions for 1976 were reported in a November 11, 1976, White House press release.

Assuming the figures submitted to GSA by the other Government Agencies are correct, the travel reductions GSA reported for the Government were significantly overstated. This overstatement is due to errors in Defense's travel data. The following table summarizes the impact of the incorrectly reported Defense travel costs.

	Reported Government- wide travel reductions in fiscal year 1976	Understatement of Defense's fiscal year 1976 travel	Actual Government- wide travel reductions (including in fiscal year 1976)
Fiscal year 1976 costs compared to fiscal year 1976 costs	\$265	\$261	(\$104)
Fiscal year 1976 costs compared to fiscal year 1976 budget	550	391	159

The reductions were overstated primarily because Defense omitted amounts for several categories of direct and reimbursable travel from its fiscal year 1976 travel report to GSA. For example, Defense did not include \$149 million in direct travel for the Air Force's military personnel appropriation and \$13 million in reimbursable travel for the Army's operations and maintenance appropriations. GSA compared the resulting understated Defense fiscal year 1976 travel report to fiscal year 1975 data which included all costs.

Several military service officials involved in reporting the travel costs said reimbursable travel was excluded because the emphasis had been on controlling direct travel over the past few years. Another official said some direct travel was excluded because of oversight while other direct travel, for

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quarters of travel received by a service of cost and it is referred to under the heading of "Travel" in the "Statement of Expenses" given to the Department of Defense by the Director of the Travel Agency and the General Counsel.

For example, the travel budget of the Army is stated in the report of the Director of the Army Travel Agency for the year 1971. The Director's report for the year 1971 is initially lower than that of 1970, but, after a period of time, had reduced the travel budget in the field activity. It encountered difficulties in meeting the travel requirements. Upon notifying Army Headquarters, the Director's travel budget was increased to meet the new requirements.

We believe reports of field activity should be prepared which are similar in content to the reports of the Director of the Travel Agency, to provide that the Department of Defense is aware of the travel activities of the field activity and to provide a basis for the Department of Defense to monitor the travel activities of the field activity.

It is noted that the Department of Defense is aware of the travel activities of the field activity.

We believe that reports of field activity should be prepared which are similar in content to the reports of the Director of the Travel Agency, to provide that the Department of Defense is aware of the travel activities of the field activity and to provide a basis for the Department of Defense to monitor the travel activities of the field activity. Examples are provided for information and evaluation of program operations, meetings, and training. Reference should be made to policies and procedures which are consistent with its mission and program objectives, for each purpose of travel and should monitor travel practices for compliance with these policies.

Common purpose categories could be established by retaining the categories used by the services and other reference organizations to report on travel. These categories are not uniform but are the most informative, as shown in Appendix III. They do, however, present a means by which common purpose categories can be established for reporting on travel. Appendix I contains an analysis of the services' travel practices using common purpose categories.

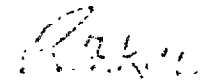
NEED FOR MORE DETAILED REPORTS

Effective management of travel requires both development of and compliance with appropriate travel policies and procedures. Proper management at each field activity, command, and headquarters level needs to know that local officials are implementing prescribed policies and carrying

... will be given to the Director of FBI, the
... of FBI, the ... of ... and other
... of ... to others
...

If you can be of further assistance, please advise us.

Sincerely yours,


Acting Controller of the United States

DEFINITION OF TRAVEL

As prescribed in Circular No. A-10, Uniform Classification According to Objects, GPO has designated object class 21 as the accounting code for accumulated financial data for the travel and transportation of personnel. Within that object class, each agency develops its own sub-classification to identify principal categories of travel and transportation and accumulated data.

The military services record travel costs by object class and subobject class categories, but they are not uniform throughout defense and are not very informative. Appendix III shows the subobject class categories used by the military services.

Uniform subobject classification should be established to obtain data on the nature of the temporary duty travel leaving personnel. Uniform reporting would be in a better position to make decisions on travel if information were available on the cost of travel according to purpose, number of days, cost per day, inspections, subject to administrative classification, the broadest classes of travel, and the number of personnel at all levels within services, service components, and defense could better monitor travel expenditures, identify trends in the types of travel being approved, and identify areas of travel expenditures for additional management emphasis.

MORE MEANINGFUL CATEGORIZING
OF TRAVEL COSTS POSSIBLE

Effective management of limited travel resources requires an adequate data base. To demonstrate that more meaningful data on the purpose of travel can be accumulated, we developed a systematic approach to categorize travel. Based on information from travel vouchers and travel orders, we categorized trips according to purpose.

The following schedule shows by reason for travel the trips made during a 12-month period by personnel in the military services and the Defense Logistics Agency (DLA).

Number of Trips by Purpose of Travel
General Information (1957-1958)

<u>Line number</u>	<u>Estimated</u> <u>number of trips</u> (000 omitted)	<u>Percent</u> <u>of total</u>
Reception, conference, contact	741	25
Field inspections, reviews, evaluations	176	6
Training	668	23
Operational support	456	16
Technical support	277	9
Logistical support	123	4
Personnel matters, recruiting	156	5
Medical matters	46	2
Miscellaneous, other	<u>222</u>	<u>8</u>
Total	2,965	100

Estimated figures are based on data from the Department of Defense, Office of Management and Administration, Office of Travel Management, and are presented in Appendix II.

Comments

We believe the subcategories used by Defense as a basis for data accumulation do not provide information needed for effective management. An example of such needed information is a record of specific purposes of travel. This would help provide the potential for better distribution of travel money within each military service and Defense agency.

Better data can and should be accumulated through an improved reporting system. The reporting system could provide a sound basis for determining the areas needing additional management action to accomplish specified missions and to control travel. It would also serve as a means of showing the Congress that travel is being properly reported and that funds are being allocated to the highest priority program areas.

TRAVEL UNDER OBJECT 21

We reviewed the management of travel funded by money accounted for under one allocation under Object 21. The money accounted under this object class are for the transportation of Government employees, or others for which expenses are authorized to pay for travel, such as per diem allowances while in authorized travel status, and other allowable expenses incidental to their travel.

Object class 21 consists of temporary duty, permanent change of station, and local travel. Our analysis of Object class 21 travel was limited to domestic and foreign temporary duty travel by permanent or temporary employees, experts, consultants, and other personnel in positions in Government-funded programs. Our analysis did not include Object 21 costs associated with permanent change of station or local travel. In addition, we did not analyze in detail demand travel by employees and contractors.

Information on all defense temporary duty travel is available in reports prepared by the Department of Defense, and in reports of various defense projects and units. These reports include primary services and the Executive Agency, the total amount of money received for each.

DEFENSE TRAVEL FUNDS

Object class 21 travel funds obligated by defense are shown below.

<u>Fiscal year</u>	<u>Amount</u> <u>(note a)</u>
	(billions)
1975 actual	\$1.408
1976 actual	1.469
1977 actual	.416
1977 estimate	1.654

a/Includes permanent change of station, travel of military personnel in amount of \$669 million for 1975, \$664 million for 1976, \$177 million for 1977, and \$650 million for 1977.

We examined random sample cases from a projected universe of approximately 3 million trips to identify the following characteristics:

- Employment status and/of military rank or civil service Commission grade level.
- Purpose of travel.
- Destination of travel.
- Duration of trip.
- Mode of travel used.
- Type of lodging used.

EMPLOYMENT PURPOSES OF TRAVELERS

The following table shows the percentage of trips by military members and civilian employees classified by military rank or service grade or civil service grade at the time of travel. Of the total of 1,000, 70 percent were first inductees and 30 percent were for their travel included trips for research (20 percent), training of operational personnel (13 percent), and 17 percent were for recruiting (17 percent).

Of the civilian travelers, 70 percent were employees in the non-ferrous metal level (GS-2) through 16). The travel of these employees was primarily to attend meetings, conferences, and seminars (42 percent); to take field inspectors, reviews, and evaluations (23 percent); and to receive training (13 percent).

Employment characteristics (note a)	Percent of trips	
	Civilian	Military
GS-15 ⁺ and above, Colonels and above (upper management)	4	3
GS-12 ⁺ , 1st Lt. Colonels (middle management)	23	7
GS-11 ⁺ , 12 ⁺ , Captains, Majors (middle management)	47	23
GS-10 ⁺ and below, 1st Lt. and below (assistants, staff grades, other)	16	70
	10	0
Total	<u>100</u>	<u>100</u>

a/Includes equivalent navy ranks.

EXTENT OF TRAVEL TO HIGH-COST AREAS
WITHIN AND OUTSIDE OF
CONTINENTAL UNITED STATES

As shown below, trips by military and civilian employees to continental United States (CONUS) high-cost areas were not extensive compared with the total amount of travel. Most trips were to CONUS non-high-cost areas. At the time of our review, GSA had identified Boston, Chicago, Los Angeles, New York City, San Francisco, and Washington, D.C., as highest geographic areas.

<u>Location</u>	<u>Percent of trips</u>	
	<u>Civilian</u>	<u>Military</u>
CONUS		
Non-high-cost area	82	67
High-cost area	13	5
Intercontinental	2	3
Intracontinental	3	17
Total	100	100

TRIP DURATION

The majority of trips by civilians (56 percent) were from 3 to 7 days in length. Trips of this length also represented the largest single category for military travel (40 percent). However, trips of 22 days or more represented 21 percent of military travel and only 5 percent of civilian travel. Military trips tended to be of longer duration because of the higher percentage for training.

<u>Length of trip</u>	<u>Percent of trips</u>	
	<u>Civilian</u>	<u>Military</u>
1 day	10	5
2 days	16	10
3 to 7 days	56	40
8 to 14 days	10	17
15 to 21 days	3	7
22 days or more	5	21
Total	100	100

MODE OF TRAVEL

The relative frequency of use of various modes of transportation by civilian and military personnel is shown below.

APPENDIX II

APPENDIX II

PURPOSE OF TRIP	PURPOSE OF TRIP	
	CIVILIAN	MILITARY
Military plane	6	27
Government-owned car	15	12
Commercial bus	49	27
Private car	20	20
Other (taxi, bus, hotel)	1	1
Total	100	100

LOGGING

When travel required overnight lodging, the split between use of military and civilian quarters was about the same. However, the military quarters was predominately by military travel.

TYPE OF TRIP

Most of the travel fell into the following categories: conferences, meetings, and other official travel; training; and other activities.

Other observations on the purposes of travel are as follows:

- About 36 percent of the civilian travelers compared to about 11 percent of the military travelers made trips for the purpose of meetings, conferences, and seminars. Most civilians traveling for this purpose were from the Logistics Agency.
- Approximately 31 percent of military personnel traveled for training compared to 18 percent for civilians.
- About one-half of the military personnel who traveled for meetings, exercises, and other activities were U.S. Marines.
- About one-half of the military personnel who traveled for training purposes were in the Navy.

DEFENSE SUBCLASSIFICATION FOR TRAVEL
AND TRANSPORTATION OF PERSONS

AIR FORCE

- Expenses for Airlift Services Industrial Fund (ASIF) transportation.
- Expenses for transportation other than ASIF transportation.
- Per diem and incidental expenses.
- Permanent Change of Station (PCS) military transportation costs of persons and things.
- Expenses--PCS civilian employees and dependents.
- Rental of passenger motor vehicles--full-time.
- Rental of passenger motor vehicles--part-time.

ARMY

- U.S. personnel stationed in foreign countries and traveling in foreign countries (per diem).
- U.S. personnel stationed in continental United States (CONUS) traveling in foreign countries (per diem).
- Payments to foreign carriers for travel of U.S. military, U.S. civilians, and foreign national personnel.
- Travel of direct-hire foreign national personnel (per diem).
- Travel of indirect-hire foreign national personnel (per diem).
- All other travel not listed above including travel of foreign students and foreign dignitaries in foreign countries and in CONUS.

NAVY AND MARINE CORPS 1/

--Travel and transportation of persons:

Full-time civilian and military personnel
 WFE employees, consultants, and experts
 WOC consultants and experts

OFFICE OF THE SECRETARY OF DEFENSE

--Per diem and incidental expenses for travel within and between the United States, its territories, and its possessions

TDY of civilian and military personnel
 TDY for training
 PCS of civilian employees and their dependents
 Pre-employment interview travel
 Local travel

--Per diem and incidental expenses for travel to, from, and within foreign countries

TDY of civilian and military personnel
 PCS of civilian employees and their dependents
 Local travel including renewal agreement

--Transportation expenses for travel within and between the United States, its territories, and its possessions

TDY of civilians and military personnel
 TDY for training
 PCS of civilian employees and their dependents
 Pre-employment interview travel

--Transportation expenses for travel to, from, and within foreign countries, paid to Military Airlift Command (MAC) and Military Sea Transportation Service (MSTS)

TDY of civilian and military personnel, paid to MAC
 PCS of civilian employees and their dependents, paid to MAC (includes renewal agreement travel)
 PCS of civilian employees and their dependents, paid to MSTS (includes renewal agreement travel)

1/The Navy and Marine Corps apply subject classifications only to those appropriations administered by the Office of the Secretary of Defense.

APPENDIX III

APPENDIX III

--Transportation expenses for travel to, from, and within foreign countries, paid to American flag carriers

TBY of civilian and military personnel
PCS of civilian employees and their dependents
(includes renewal agreement travel)

--Transportation expenses for travel to, from, and within foreign countries, paid to foreign flag carriers

TBY of civilian and military personnel
PCS of civilian employees and their dependents
(includes renewal agreement travel)

--Other travel and transportation

Lease or charter of passenger motor vehicles
Lease or charter of passenger-carrying transportation equipment other than motor vehicles
Undistributed transportation related

COMPARISON OF TRAVEL POLICIES
AND THE TOILET OF EXECUTIVE TRAVEL

The military services and CIA have implemented extensive travel guidance to reduce unnecessary travel. The results of these policies are outlined in OMB Bulletin 76-9 and are set forth in the following table. The military services and CIA have also implemented additional measures to reduce travel.

OMB BULLETIN 76-9 TRAVEL GUIDANCE
FOR FEDERAL AGENCIES

OMB Bulletin 76-9, issued in December 1975, contains the following travel reduction guidance.

- a. Review all travel requests when the traveler is a high level official or a member of the traveling party.
- b. Review all requests of people who do not travel for the purpose of performing official duties or for the purpose of conducting official business.
- c. Issue travel assignments at official stations to ensure that travel is performed by employees at stations which are in closest proximity to travel destinations.
- d. Review and reauthorize all continuous or indefinite travel authorizations and issue appropriate guidelines to restrict travel to the minimum necessary for accomplishment of agency missions.
- e. Screen all specific travel authorizations to limit trips, numbers of individuals traveling, points to be visited, itineraries, and durations to those that are essential to the performance of agency missions.
- f. Establish procedures that will eliminate attendance and minimize participation by employees at conferences, meetings, and seminars when attendance is contingent upon travel at Government expense and not directly related to the accomplishment of the agency's mission. (Official travel performed at non-Government expense will be accomplished in accordance with agency conflict of interest regulations.)

- g. In view of the excessive travel costs for state of station travel, review policies and procedures affecting employee transfers between official stations to reduce such transfers to those essential for mission accomplishment.
- h. Establish procedures to screen all requests for foreign travel to or directly from the continent of Europe at foreign conferences to an adequate minimum, and where appropriate, to use U.S. personnel located at or near the conference site.
- i. Review contract provisions and procedures to assure that travel by contractors whose travel costs are directly reflected in prices paid by the Government is held to that which is essential, and that the cost of such travel is minimized.

SECRET
 CONFIDENTIAL
 SECURITY INFORMATION
 CONTROLLED DATA

In July 1976, OAS issued a report at HQ, D to the Chief of Staff, which contains additional travel rules and guidelines. The policy services and the Legislative Agency with the assistance of the Deputy Assistant Secretary of Defense (Administration) in September 1976 to utilize this guidance, which consisted of the following:

- a. Limitation of attendance at conferences--when attendance is determined to be necessary for accomplishment of agency missions--to a single individual responsible for summarizing and reporting the results to other staff members.
- b. Utilization of teleconferencing, wherever appropriate, in lieu of conference attendance.
- c. Selection by each authorizing officer and proper traveling on official business of the most expeditious and economic means of transportation appropriate with the nature of travel being performed. The governing Federal Travel Regulations shall have the following order of priority in this selection process:
 - (1) Common carrier.
 - (2) Government-owned or Government contract rental vehicles.

- g. Revision of all current blanket or standing travel authorizations and a spending limit. Examples of these types of travel authorizations to be deleted to the extent possible are:
 1. Authority for mission trips limited and not to exceed 90 days in any reapproval cycle.
- h. Reinforcement of a policy statement of the need for total accountability in the performance of official travel. A formal travel management policy is required in writing of the traveler to be followed in the exercise of such authority by all persons. In particular, it is expected that the expense which each traveler incurs for lodging and other related expense will be similar to that of a private citizen traveling on personal business.
- i. Screens of travel authorizations to assure, to the extent possible, that travel is performed for non-essential purposes and, as far as possible, one of the following categories of travel is identified:
 1. Essential work of professional or scientific nature.
 2. Essential travel for official purposes for local travel from an established home station or duty station location within the prescribed duty station area.
- k. Utilization, wherever possible, of local transport courses to eliminate or minimize travel costs.

ADDITIONAL MEASURES TAKEN BY THE
PHILIPPINE AIR FORCE LOGISTICS AGENCY

The military services and the Logistics Agency reported the following additional measures to reduce travel costs.

How

- Maximize use of Government quarters and Government transportation.
- Traveling travel expenditures were reduced where feasible by sending instructors to field activities to conduct on-site training.
- More frequent and detailed review of travel records at higher organizational levels.

ART. 2

- Article 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.
- Reduced the number of leased full- and part-time passenger vehicles.
- Accepted a slowdown in the accomplishment of required individual leave in certain areas by not providing certain assistance when temporary shortages of personnel existed.
- Although contrary to the Air Force Personnel Management Plan which emphasizes of decentralized financial management, approved authority for travel was centralized (limited) to a few select individuals of an organization (slowdown, prioritization of such approval).

- Require all travel, when possible, to be planned well in advance to take advantage of military and air on-base quarters.

LIA

- Use of onsite training.
- Use of Government quarters when available.
- Minimize time at each destination.
- Avoided overseas and weekend travel.
- Approved authority for ISY was elevated to higher authority.
- Use of multiple trips (preplanned) with planned itineraries to accomplish multiple functions.

CONCLUSION

The travel reduction program has been implemented and the results show a reduction in travel. However, the capitalization of labor (international travel) of travel tends to be reported by the body and in. All of these may have a negative effect on attainment of program goals by slowing down the travel approval process. On the other hand, higher management review of overseas and conference travel is appropriate, for such travel tends itself to the establishment of agencywide or servicewide criteria and tends to be expensive.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

August 17, 1977

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Government-sponsored attendance at conferences

As part of our efforts to increase efficient operations in the Federal Government, attention must be given to overhead costs that may be of questionable value. One area deserving attention is the cost of attendance by Government employees at conventions, symposia, and conferences.

Participation by Federal employees in conferences that is not essential to the accomplishment of agency missions must be avoided, because attendance results in substantial cost to the Government. These include conference fees; travel expenses; compensation for employees while attending conferences; and hidden costs, such as the loss of time that would have been spent by employees on accomplishing specific program assignments.

To reduce costs in this area, each agency should immediately review its criteria for authorizing attendance at such meetings. You should assure that the criteria are consistent with this Administration's policy of restricting Government-sponsored participation in conferences to the minimum necessary to accomplish agency missions.

More specifically, please apply the following guidelines to your agency's 1978 and future plans for employee participation in symposia and conferences.

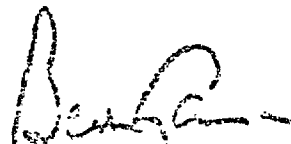
-- Attendance should be limited to meetings where:

- * there is a direct benefit to the achievement of an objective related to the agency's mission and
- * fees are in line with actual costs.

- Speaking engagements should not be accepted for meetings where fees for Government employees are not in line with actual costs.
- Attendance should not be authorized when the primary benefit is to the individual employee rather than the accomplishment of the agency's mission.
- Attendance should not be authorized in lieu of personnel benefits, incentives, or rewards for past or present performance.
- Where attendance is appropriate, efforts should be made to minimize associated travel expenses by designating as participants employees who are located at or near meeting sites.
- The number of participants from an agency should be limited to the minimum required to relate the program being conducted from the meeting to the achievement of the agency's mission.

In addition, I urge that particular attention be given to meetings held overseas. Procedures should be designed to hold U.S. attendance at overseas meetings to the absolute minimum, by assuring a thorough screening of all requests in accordance with the guidelines outlined above.

The President expects that your 1979 budget requests will reflect these policies. Office of Management and Budget staff have been instructed to focus on this as they review your requests.



Bert Lance
Director

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United States Senate
 COMMITTEE ON APPROPRIATIONS
 WASHINGTON, D.C. 20540

October 7, 1976

The Honorable Elmer Staats
 Comptroller General of the United States
 Washington, D. C.

Dear Mr. Staats:

The Committee on Appropriations has had a continuing interest in the costs of official (government) travel in the Executive Branch, especially in the Department of Defense. For several years, the Committee, in reporting appropriations bills to the Department of Defense, has requested reductions in government travel funds. Some of these reductions have been based on what appear to be disproportionate cost increases across organizations without any direct justification. These reductions are based on the view that a good deal of non-essential travel could be eliminated without affecting the Interior Department's missions. The Committee believes that an in-depth study by your Office could be of assistance to the Committee when it considers future Department of Defense budget requests in this area.

The objective of this study should be to determine whether funds appropriated for such travel are being managed effectively under adequate policies and with appropriate controls. In reaching this objective, the Committee will like your staff to review existing policies and practices and make recommendations for any needed improvements. The review should also accumulate recent travel expenditures to show (1) the purpose of travel; (2) area destination of travel; (3) civil service grade or military grade of travelers; and (4) any other demographic data that might be of assistance to the Committee.

The Committee staff has had some preliminary discussions relating to this matter with members of your Federal Personnel and Cooperation Division. The Committee recognizes that this is a long term effort but hopes that it can be completed within the next 12 months. We would appreciate your keeping the Committee staff periodically advised on the status of this overall study.

In connection with the continued funding of non-essential travel, the Committee recently inquired about a Department of the Army sponsored postal conference that was scheduled to be held in Hawaii from September 27 through October 3, 1976. Upon examination of the justification and costs, it appeared that such a conference might not be warranted, since the original purpose related to U. S. deployments in Vietnam. Subsequent to the Committee's inquiry, the Department of the Army, after review of the

proposed topics of discussion, cancelled the conference, since the requirement for use of the funds could not be justified within the Army.

The Committee is concerned that the Department may not have fully adjusted its conference locations to changed requirements resulting from force redeployments. Accordingly, the Committee believes it would be helpful if the General Accounting Office, in an effort separate from the policy review requested above, examined conferences under Department of Defense auspices or related to Department of Defense topics held in Hawaii during fiscal year 1976 and the transition quarter with a view toward ascertaining the following:

1. How many conferences were held?
2. What was the purpose of each conference?
3. Why was the conference held in Hawaii?
4. How many military and civilian federal employees attended?
5. Where are these federal attendees permanently assigned?
6. To the extent possible, how many non-governmental employees attended?
7. What was the total governmental cost -- travel, per diem, etc.?
8. What alternatives to these types of conferences are available?

The General Accounting Office should, in connection with these reviews, examine other matters that might bear upon the issue of travel costs that might be avoided.

The Committee would appreciate it if this review of conferences could be completed as soon as possible, with preliminary results briefed to the Committee staff in February, and a final report as soon as feasible thereafter.

With kind regards, I am

Sincerely,


John L. McClellan
Chairman

JLM:ljm