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DEFENSE MANAGEMENT

DOD's Conference Policy Is Generally Consistent with OMB's Requirements

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Why GAO Did This Study

DOD hosts conferences and sends its personnel to external conferences for training, professional development, and continuing education. However, concerns about executive agencies' spending on conferences prompted OMB in 2012 to direct agencies to establish policies and practices for conference hosting and attendance. DOD issued its policy in September 2012 to improve oversight of conference costs and updated it in November 2013, citing lessons learned from implementing the September 2012 policy, among other things.

The conference report accompanying the National Defense Authorization Act for Fiscal Year 2013 mandated that GAO review DOD's oversight and management of conferences. This report assesses (1) the extent to which DOD's conference policy is consistent with OMB's conference requirements and (2) how DOD components have implemented DOD's conference policy. GAO assessed DOD's 2012 conference policy and 2013 update against OMB requirements and reviewed components' implementation of the policy. GAO analyzed responses to a questionnaire completed by officials from 72 components and military commands and reviewed 563 requests for conferences planned for the second and third quarters of fiscal year 2013.

GAO is not making recommendations in this report. In written comments, DOD concurred with GAO's findings and noted that it remains committed to balancing conference spending oversight with the benefits of hosting and allowing personnel to attend conferences.

View [GAO-14-150](#). For more information, contact Johana Ayers at (202) 512-5741 or AyersJ@gao.gov.

DEFENSE MANAGEMENT

DOD's Conference Policy Is Generally Consistent with OMB's Requirements

What GAO Found

The Department of Defense's (DOD) September 2012 policy on conferences and its November 2013 update are generally consistent with the requirements established by the Office of Management and Budget (OMB) in May 2012. The key elements of OMB's May 2012 requirements for agencies are the prohibition of conferences with costs in excess of \$500,000 unless the agency head signs a waiver, establishment of a Deputy Secretary-level review process for conferences with estimated costs in excess of \$100,000, and public reporting annually on the costs of these conferences. DOD adopted a tiered approval structure for the senior-level approval of waivers and all conference-related costs. DOD's policy, which cites the department's size and complexity, places the approval authority for conference waivers and for conferences costing less than \$500,000 at lower levels than called for by OMB. For example, OMB requires that waivers approving conferences with costs in excess of \$500,000 be signed by the head of an agency, while DOD's policy delegates this authority to 23 senior leaders throughout the department. DOD's policy is more expansive as it requires senior-level review and pre-approval of all conference-related costs, compared to OMB's requirement for senior-level review of conferences only when the estimated costs exceed \$100,000. DOD's policy also fully addresses OMB's requirement to publicly report conference costs annually and adds a requirement for quarterly internal reporting of conference costs.

In implementing DOD's September 2012 policy (the existing policy when GAO conducted the majority of its review), DOD components—including the military departments—have taken various approaches to reviewing and approving conference requests, all of which are consistent with the policy. For example, DOD's policy allows senior officials within each component to delegate certain approval authority to lower-level officials for DOD-hosted conferences costing \$500,000 or less and non-DOD hosted conferences costing \$100,000 or less, but the components have delegated approval authority to different degrees. A majority of the 563 conference requests that GAO reviewed addressed and documented key elements consistent with DOD and component-level guidance. In requests that were missing documentation of one or more key elements, GAO found that a specific element was not missing from a significant number of requests. While the components' implementation of the conference review and approval process has generally been consistent with DOD's policy, some officials within the components and military service commands have identified concerns, particularly with the lengthy approval process. The officials explained that requests to attend conferences have to pass through multiple offices and individuals, sometimes taking several months to be approved. In particular, officials raised questions about the efficiency of reviews for requests to attend conferences that incurred no cost or a low cost (under \$20,000) to DOD, which at the time of GAO's review went through the same process as higher-cost conferences. Almost 94 percent of the 405 requests to attend non-DOD hosted conferences that GAO reviewed were for conferences with no cost or a low cost to DOD. DOD in November 2013 updated its policy to state that approval is not required for conferences incurring no cost for DOD. However, a DOD official involved in writing DOD's conference policy stated that components still have the option to review conferences with no cost to DOD to facilitate senior leaders' visibility over conference attendance by personnel within their component.

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Abbreviations

DCMO	Deputy Chief Management Officer
DOD	Department of Defense
OMB	Office of Management and Budget

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January 21, 2014

Congressional Committees

The Department of Defense (DOD), like other executive agencies, hosts conferences and allows personnel to attend non-DOD conferences¹ to help personnel be more effective in their jobs. Conferences provide agency personnel with the opportunity to achieve or maintain professional accreditations; the efficient delivery of training to large numbers of people; and the ability to collaborate with industry or foreign nationals. DOD personnel attend conferences on a range of topics, such as antiterrorism activities, force requirements, and religious ministry. However, Inspectors General have reported² excessive costs for conferences hosted by other federal agencies. In November 2011, the President signed an executive order³ that cited the need for federal agencies to ensure efficient spending on conferences and other activities. To this end, the Office of Management and Budget (OMB) issued a memorandum in May 2012 directing executive agencies to establish an approval process to review all future conference expenses in excess of \$100,000 and to report agency-sponsored conferences with costs in excess of \$100,000 annually.⁴

¹"Conference" is defined in the Federal Travel Regulation as, "[a] meeting, retreat, seminar, symposium, or event that involves attendee travel." The term "conference" also applies to training activities that are considered to be conferences under federal regulation (41 C.F.R. § 300-3.1). However, DOD's policy provides that, for purposes of conference oversight requirements, this definition is only a starting point and that what constitutes a conference is a fact-based determination.

²For example, U.S. General Services Administration's Office of Inspector General, Office of Investigations, *Management Deficiency Report: General Services Administration Public Buildings Service, 2010 Western Regions Conference* (Apr. 2, 2012) and U.S. Department of Justice, Office of the Inspector General, Audit Division, *Audit of Department of Justice Conference Planning and Food and Beverage Costs Audit Report 11-43* (Oct. 2011).

³White House, Executive Order 13589, *Promoting Efficient Spending*, 76 Fed. Reg. 70,861 (Nov. 9, 2011).

⁴OMB, Memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations* (May 11, 2012).

In response to OMB's May 2012 memorandum, DOD issued interim guidance in June 2012⁵ and a policy in September 2012⁶ to improve the oversight of conference costs across DOD. In the policy, the Deputy Secretary of Defense identified the Deputy Chief Management Officer (DCMO) as the point of contact for conferences within DOD and assigned the DCMO responsibility for establishing and executing processes to implement DOD's policy and issuing additional policies as necessary. On November 6, 2013, the DCMO issued an updated conference policy, effective on November 20, 2013.⁷ According to a DCMO memorandum accompanying the November 2013 policy, updates were based upon lessons learned from implementation of the September 2012 policy, the budget uncertainty faced by DOD, and legislative changes.

The conference report⁸ accompanying the National Defense Authorization Act for Fiscal Year 2013 mandated that GAO review DOD's oversight and management of conferences. This report assesses (1) the extent to which DOD's conference policy is consistent with OMB's requirements for conference approval and cost reporting and (2) how the DOD components have implemented DOD's conference policy.

To determine the extent to which DOD's conference policy is consistent with OMB's requirements, we assessed DOD's September 2012 policy and the updated November 2013 policy against the three key elements specified in OMB's May 2012 memorandum. The three elements are (1) the prohibition of conferences with costs in excess of \$500,000 unless the head of the respective agency signs a waiver, (2) Deputy Secretary-level review of conferences with costs in excess of \$100,000, and (3) public reporting annually of agency-sponsored conferences with costs in excess of \$100,000.⁹ We also interviewed officials from the Office of the DCMO

⁵DOD, Deputy Secretary of Defense Memorandum, *Implementation of May 11, 2012, Office of Management and Budget Memorandum, Promoting Efficient Spending to Support Agency Operations* (June 3, 2012).

⁶DOD, Deputy Secretary of Defense Memorandum, *Implementation of Conference Oversight Requirements and Delegation of Conference Approval Authority* (Sept. 29, 2012).

⁷DOD, Deputy Chief Management Officer Memorandum, *Implementation of Updated Conference Oversight Requirements* (Nov. 6, 2013).

⁸H.R. Conf. Rep. No. 112-705, at 887 (2012).

⁹The three elements encompass all of the new policies and practices for conference hosting and attendance in OMB M-12-12.

and OMB staff. To determine how the DOD components have implemented DOD's conference policy, we identified the DOD components' processes and procedures for approving conference requests and reporting conference costs. We also developed, administered, and analyzed responses to a combination of structured interviews and questionnaires completed by officials within DOD components,¹⁰ including those at the major command-level in all four military services. We obtained 563 approved requests for conferences hosted by DOD or attended by DOD personnel in the second and third quarters of fiscal year 2013¹¹ and used a standardized checklist to assess whether the information identified by DOD's September 2012 policy was included.¹² We analyzed conference requests for this time period because the approval process established by DOD's September 2012 policy was not fully implemented until the second quarter of fiscal year 2013. Further, conference requests for the fourth quarter of 2013 were not widely available during our review. Also, we reviewed DOD's fiscal year 2012 annual conference report and DOD's quarterly conference reports for the first three quarters of fiscal year 2013. We provide additional information about our detailed scope and methodology in appendix I.

We conducted this performance audit from May 2013 to January 2014 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.

¹⁰The DOD components within the scope of our review included the Army, Navy, Air Force, Marine Corps, offices of the Under Secretaries of Defense, Joint Staff, National Guard Bureau, and combatant commands. For a full list of the components we contacted, see appendix I.

¹¹We reviewed 424 conference requests for the second and third quarters of fiscal year 2013 from the DOD components, Army, Air Force, and Marine Corps. For the Navy, we reviewed 139 conference requests for the third quarter of fiscal year 2013 because second-quarter conference requests that had been archived in the Navy's document management system were inaccessible.

¹²We assessed the conference requests against key elements in DOD's September 2012 policy and against implementing guidance issued by some of the components, including the military departments.

Background

Beginning in 2011, OMB issued one of two memorandums establishing oversight requirements for conferences as part of a larger effort to help promote efficient spending in executive agencies. First, in September 2011, OMB issued a memorandum¹³ directing all executive agencies and departments to conduct a thorough review of the policies and controls associated with conference-related activities and costs, and report to OMB on the results. Further, OMB's memorandum required that all conference-related activities and costs be approved by the Deputy Secretary until he or she could certify that the appropriate policies and controls were in place for mitigating the risk of inappropriate spending practices regarding conferences. Then in May 2012, OMB issued a second memorandum to executive agencies and departments, outlining new policies for conference sponsorship, hosting, and attendance. This memorandum states that conference costs should be appropriate, necessary, and managed in a manner that minimizes costs to taxpayers.

OMB's May 2012 memorandum, among other requirements, outlines a series of new policies and practices to ensure that federal funds are used appropriately on conference-related activities and that agencies reduce spending on conferences when practicable. These policies include the initiation of Deputy Secretary-level review of all planned conferences costing more than \$100,000 each and of all future conferences estimated to cost more than \$100,000 each. During these reviews, agencies also should ensure that conference attendance and costs are limited to the levels required to carry out the mission of the conference. The memorandum further prohibited costs in excess of \$500,000 on a single conference without a signed waiver from the head of the respective agency. Finally, the memorandum requires each executive agency to report annually on its official website the expenses for any agency-sponsored conference exceeding \$100,000. Specific reporting requirements include: the location, date, and total conference costs incurred by the agency for the conference; a brief explanation of how the conference advanced the mission of the agency; and the total number of individuals whose travel costs or other conference costs were paid by the agency.

¹³OMB, Memorandum M-11-35, *Eliminating Excess Conference Spending and Promoting Efficiency in Government* (Sept. 21, 2011).

Subsequent to OMB's conference reporting requirements, the Consolidated and Further Continuing Appropriations Act, 2013¹⁴ established a requirement for executive agencies to notify their respective Inspector General of any agency-hosted conference costing more than \$20,000, and to provide the notice within 15 days of the conference. The notice must include the date and location of the conference, and the number of employees attending. The act also requires agencies to submit annual reports to the Inspector General or senior ethics official regarding the costs and contracting procedures related to each conference when the cost to the government exceeds \$100,000.

DOD's Policy Is Generally Consistent with OMB's Requirements for Approving and Reporting Conference Costs

DOD's September 2012 policy and November 2013 update are generally consistent with the three key elements of OMB's requirements for approving conferences and reporting associated costs.¹⁵ The key elements of OMB's requirements for agencies are the prohibition of conferences with costs in excess of \$500,000 unless the head of the respective agency signs a waiver, establishment of a Deputy Secretary-level review process for conferences with costs in excess of \$100,000, and public reporting annually of the costs of agency-sponsored conferences with costs in excess of \$100,000. DOD's variances from OMB's requirements for the first two elements are attributable to DOD's size and complexity and, according to DOD's policy, were done with OMB's concurrence. Specifically, the Secretary of Defense delegated some responsibility for reviewing and approving conferences that is not explicitly granted by OMB's requirements. Despite these variances, some provisions within DOD's conference policy exceed OMB's requirements by providing additional detail for how to implement the conference approval process and requiring additional conference cost reporting.

¹⁴Pub. L. No. 113-6, § 3003(c), 127 Stat. 435 (2013).

¹⁵The updated conference policy issued in November 2013 supersedes and cancels the prior policy. The policies and requirements described in our report are contained in both the September 2012 policy and the November 2013 update, unless otherwise noted in our report.

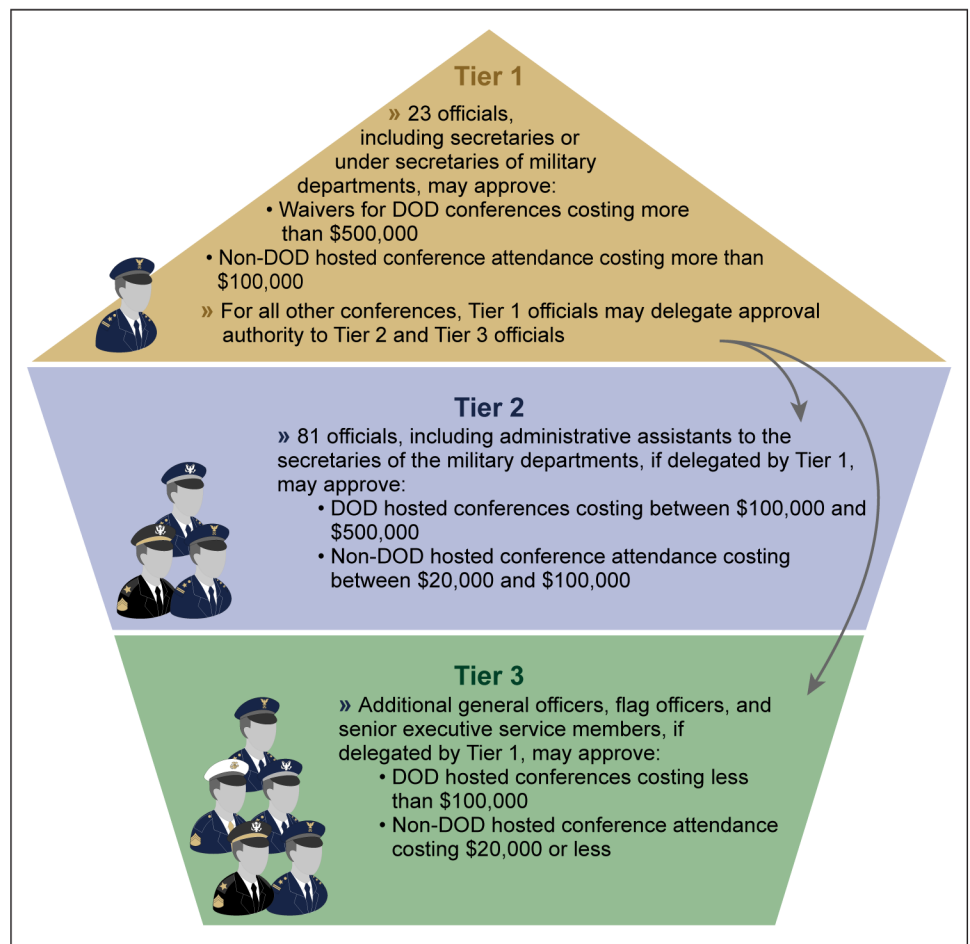
DOD Delegated Approval Authority for Conferences to Senior DOD Leaders in a Tiered Approval Structure

DOD's policy established the need for a waiver for any conference with costs in excess of \$500,000, but placed the authority for granting those waivers at a lower level than required by OMB. DOD's policy prohibits DOD components from incurring costs greater than \$500,000 on a single conference, unless a waiver is granted by certain designated officials. OMB's May 2012 memorandum requires that the waivers be signed by the head of an agency, which for DOD is the Secretary of Defense; however, the Secretary of Defense delegated this authority to 23 senior leaders across DOD. These leaders include the Secretaries and Under Secretaries of the military departments, the Chief of the National Guard Bureau, the Director of the Joint Staff, the Commanders of the combatant commands, the Under Secretaries of Defense, and the DCMO.

To address OMB's requirements regarding the review and approval of conferences, DOD's policy established a tiered approval structure. Like the delegation of waivers for conferences costing over \$500,000, DOD's policy places the approval authority for conferences costing less than \$500,000 at lower levels than called for by OMB. Specifically, OMB's May 2012 memorandum specified that Deputy Secretaries within agencies are responsible for approving spending on conferences that will cost more than \$100,000 but not in excess of \$500,000. In DOD's policy, these responsibilities and authorities are delegated to the same 23 senior leaders that have responsibility for approving waivers for conferences costing in excess of \$500,000. These officials may, in turn, delegate approval authority to 81 other specific officials identified in the policy.¹⁶ Figure 1 depicts DOD's tiered approval structure for conferences.

¹⁶DOD's September 2012 policy identified 93 officials who could be delegated authority to approve conferences costing between \$100,000 and \$500,000.

Figure 1: Tiered Approval Structure Outlined in DOD's Conference Policy



Source: GAO analysis of DOD policy.

DOD's policy notes that the Secretary of Defense and the Deputy Secretary of Defense remain accountable for all of DOD's conference-related activities, but explains that delegation to these senior leaders is being done in recognition of DOD's size and complexity and with OMB's concurrence. According to DCMO officials, it was infeasible to keep the waiver and approval authorities at the level of the Secretary or Deputy Secretary because the Secretary of Defense and Deputy Secretary of Defense did not have time to review and approve the number of DOD conferences expected to cost over \$100,000. They also told us that they informed OMB of the Deputy Secretary of Defense's decision to delegate

approval and waiver authorities, and received verbal concurrence from OMB staff to do so.

While DOD's policy vests approval and waiver authority at a lower level than called for by OMB, DOD's policy provides additional oversight by requiring senior-level review and pre-approval of all conference-related costs, regardless of the total, compared to OMB's requirement for senior-level review of conferences only when the estimated cost is more than \$100,000. Under DOD's tiered approval structure, higher-cost DOD-hosted or attended conferences must be reviewed and pre-approved by senior leaders who have the option to delegate the approval authority for lower-cost conferences. The DOD policy explains that such requirements are intended to ensure that conferences hosted by DOD are executed in a responsible manner and that DOD is prudent when sending personnel to conferences hosted by others.

The conference policy updated in November 2013 also explicitly states that if it becomes apparent that the cost for a DOD-hosted conference will exceed the estimated cost and breach the next approval threshold, approval must be obtained from the higher-level approval authority as soon as possible. Additionally, if a DOD component initially estimates that the total cost of attendance at a non-DOD hosted conference will exceed \$100,000 for that DOD component, then the conference must be approved by that DOD component's highest tier of approval authority.¹⁷ The November 2013 policy also states that approval is not required for conferences that incur no cost to DOD, including instances where all conference costs are paid for by a non-DOD entity in accordance with DOD's gift acceptance rules.¹⁸

In explaining the conference review and approval authorities, DOD's policy provides criteria for personnel to determine whether an event meets the definition of a conference and is subject to the approval process. It notes that some conferences subject to DOD's policy are referred to by other terms, such as conventions and seminars. The policy

¹⁷If the cost is over \$500,000 for that DOD component, approval in the form of a written waiver must be obtained from the highest tier approval authority.

¹⁸DOD's acceptance of gifts is regulated by statute (e.g., 31 U.S.C. § 1353, *Acceptance of Travel and Travel-Related Expenses from Non-Federal Sources*, 5 U.S.C. § 4111, *Acceptance of Contributions, Awards, and Other Payments*).

provides key indicators of a conference that include, but are not limited to: registration and registration fees, a published agenda, and scheduled speakers. Also, the policy describes activities that should not be considered conferences even if they meet the general definition of a conference and are, therefore, exempt from the review and approval process. These exemptions include

- DOD meetings necessary to carry out:
 - statutory command and staff oversight functions, such as investigations, inspections, audits, or non-conference planning site visits;
 - internal agency business matters, such as meetings that take place as part of an organization's regular course of daily business; or
 - planning or execution of operational exercise activities or pre-deployment, deployment, or post-deployment activities.
- Events where participation by DOD personnel is required for:
 - change of command, official military award, funeral, or other such ceremonies; or
 - military or civilian recruiting or recruitment advertising.
- Formal classroom training, such as regular courses of instruction or training seminars. These activities may be offered by government organizations, institutions of higher learning or professional licensure or certification, or other training entities. However, events are not exempt simply because they offer continuing education credits or the equivalent.
- Meetings of advisory committees where one or more of the members is not a full-time or permanent part-time federal officer or employee.

DOD's policy also describes elements to be included in the calculation of the estimated total cost of each planned conference, which then determines the approving official who must approve or reject the related request. For example, the cost estimate should include, among other elements, attendees' authorized travel costs and per diem, audiovisual and other equipment usage, and registration fees. Costs are not to include such expenses as federal employee time for conference planning or attendance. Also, DOD policy prohibits the use of department funds for any entertainment expenses at DOD conferences.

DOD's Policy Addresses and Expands on OMB's Requirements for Reporting on Conference Costs

DOD's policy addresses OMB's requirement that all agencies issue an annual public report on agency-sponsored conferences with costs of more than \$100,000 that occurred during the prior fiscal year, as well as subsequent statutory reporting requirements. DCMO officials told us that no department-wide data were maintained on conference costs prior to the adoption of the annual reporting requirement. DOD's policy requires each DOD component to track the required reporting elements, which are monitored and consolidated by the Office of the DCMO for reporting. In addition to the total conference costs, the DOD components are to track information on which DOD component hosted the conference, the dates and location of the conference, the number of individuals whose expenses were paid by the agency, and a brief description of how the conference advanced DOD's mission.

While OMB called for each agency to publicly report its conference costs by January 31 of each year, DOD's first annual report, which covered fiscal year 2012, was not approved by the Deputy Secretary of Defense and posted on the DCMO's website until February 2013. DOD otherwise met all of OMB's conference reporting requirements. According to its report, DOD hosted 295 conferences during fiscal year 2012 that each had a total cost in excess of \$100,000. DOD reported that these conferences collectively cost approximately \$89 million. DOD also noted that after the issuance of OMB's May 2012 memorandum, the Deputy Secretary of Defense signed waivers approving four conferences that each cost in excess of \$500,000 during fiscal year 2012. Waivers were approved for a suicide prevention conference, a symposium on education for military service members, a military health system research symposium, and a conference on DOD's information assurance mission. DOD reported that these four conferences ranged in cost from around \$550,000 to over \$2 million, with a collective cost of almost \$6 million.

Additionally, DOD took actions that expanded on OMB's annual reporting requirement by issuing policy in September 2012 and updating its policy in November 2013 to establish that the DCMO will submit internal, non-publicly available quarterly reports to the Deputy Secretary of Defense on

conferences hosted or attended by DOD personnel.¹⁹ The Office of the DCMO compiled DOD's first report on quarterly conference costs and submitted it in March 2013 to the Deputy Secretary of Defense. This report on conferences held in the first quarter of fiscal year 2013 repeated the type of cost data that was included in DOD's fiscal year 2012 annual report for conferences that were hosted by DOD and cost over \$100,000, and included additional information on non-DOD hosted conferences attended by DOD personnel that cost over \$20,000. Later, DOD submitted its second-quarter report for the fiscal year in May 2013, and its third-quarter report in September 2013. For each DOD-hosted conference, the quarterly reports included additional information not found in the fiscal year 2012 annual report. Specifically, the quarterly reports included a breakout of the total cost for a DOD-hosted conference and included hosting costs (e.g., audiovisual equipment and facility rental), registration fees collected, and attendees' estimated travel costs. Also, the quarterly reports included information on whether a DOD-hosted conference involved spousal travel, use of a non-federal conference planner, co-sponsorship with a non-federal organization, or a no-cost contract.

Under DOD's November 2013 updated conference policy, DOD components are to enter conference cost data in a new, online reporting system referred to as the DOD Conference Tool. Specifically, each conference in excess of \$20,000 must be entered into the DOD Conference Tool within 10 working days of the approval or the signing of the waiver memorandum. In addition, within 30 days of the completion of each conference, the DOD components are to update their previous estimates based on any new information, such as adjusting the number of participants who attended or the cost factors that went into the cost estimate. According to officials from the Office of the DCMO, the DOD

¹⁹DOD's September 2012 policy initially required the DOD components to submit quarterly reports on costs for all conferences that DOD hosted or attended, regardless of cost. Prior to submissions for the first quarterly report, the Deputy Secretary of Defense amended this requirement in response to a January 2013 memorandum from the DCMO. In the memorandum, the DCMO noted that lessons learned indicated that the original requirement put too great an administrative burden on the DOD components. The Deputy Secretary of Defense approved the proposed change to require that the quarterly reports include information on DOD-hosted conferences costing over \$100,000 and non-DOD hosted conferences costing over \$20,000. This change was reflected in reporting for the first quarter of fiscal year 2013. In the November 2013 updated policy, the quarterly reporting requirement was changed to include information on any conference, either hosted by DOD or by a non-DOD entity, with a cost to DOD of \$20,000 or more.

Conference Tool is intended to help standardize the reporting process across DOD and will help DOD component officials by spreading the administrative burden of collecting and reporting data throughout the year instead of requiring a concentrated effort each quarter. The officials also told us that prior to the requirement to use the DOD Conference Tool, components could, and did, use a variety of methods to report their conference costs. Aggregated reports from the DOD Conference Tool will be provided quarterly to the Deputy Secretary of Defense. Further, the DOD Conference Tool is intended to help DOD fulfill the reporting requirements included in the Consolidated and Further Continuing Appropriations Act, 2013. For example, personnel from the DOD Inspector General's office have been granted access to the DOD Conference Tool, which meets the new requirement to report certain conference information to agencies' Inspectors General.

DOD Components Vary in Their Approaches to Implementing DOD's Conference Policy, and Some Officials Expressed Concerns about the Lengthy Approval Process

In implementing DOD's conference policy, DOD components have been consistent with the policy, but have taken various approaches. For example, the military departments have delegated approval authority—as allowed under DOD's policy—differently. Also, some components have issued supplemental guidance that, among other matters, identifies the elements that conference requests are to address. In our review of 563 approved requests for conferences in the second and third quarters of fiscal year 2013, we found that a majority (311) of the requests addressed key elements, such as noting how a conference is necessary or fulfills a mission, and including a cost estimate. While the remaining 252 requests we reviewed did not contain documentation for all of the elements, we did not find circumstances where a specific element was consistently missing from a significant number of requests. In implementing the policy, some officials within the components identified concerns about the efficiency of the conference approval process. Specifically, these officials expressed concern that DOD's policy requires a lengthy review process for all conference requests regardless of cost, raising questions particularly about the process's efficiency for low-cost conferences (those under \$20,000).

DOD Components Vary in Their Approaches to Implementing DOD's Conference Policy

In implementing DOD's policy for approving conference costs, the military departments have taken various approaches consistent with the policy regarding the delegation of approval authority. A senior DCMO official noted that it is acceptable for the military departments to implement the conference policy differently as long as they stay within the bounds of DOD's policy. DOD's policy permits specified senior leaders within the

military departments to delegate their approval authority for DOD-hosted conferences costing less than \$500,000 and for attendance at non-DOD hosted conferences costing less than \$100,000. The DOD components—including the military departments—have varied in their delegation of approval authority. For example:

- The Department of the Army has delegated approval authority for Army-hosted conferences with costs less than \$100,000 to appropriate principal officials and commanders. The Army has restricted approval authority for attendance at all non-DOD hosted conferences at the level of the Secretary or Under Secretary of the Army, or to the Administrative Assistant to the Secretary of the Army.
- The Department of the Navy has extended approval authority to its Assistant for Administration for Navy-hosted conferences costing \$500,000 or less and for non-DOD hosted conferences for which attendance costs do not exceed \$100,000.
- The Department of the Air Force initially delegated approval authority for Air Force-hosted conferences costing less than \$500,000 and for non-DOD hosted conferences costing less than \$20,000 to its major commands and certain other subordinate commands. However, since March 2013, the Air Force has retained authority for all conference approvals, regardless of cost, at the level of the Secretary or Under Secretary of the Air Force as part of its broader sequestration guidance.²⁰

Military department officials explained that one reason they decided to maintain approval authority at a high level was to ensure close scrutiny and management of conference costs during the current environment of reduced budgets. Also, these officials noted that it is difficult to maintain visibility over the total attendance costs when personnel from multiple military service commands plan to attend the same conference. Further, the Department of the Navy oversees personnel from the Navy and Marine Corps, and could have personnel from both services attending the same conference. If the approval authority is delegated, there would be a risk that the total estimated costs would not be aggregated across military

²⁰The failure to enact legislation to reduce the federal budget deficit by at least \$1.2 trillion triggered the sequestration process under the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. Pursuant to the Act, the President ordered sequestration of discretionary and direct spending on March 1, 2013.

service commands and that requests would not receive the appropriate level of review.

In addition, officials from the Office of the DCMO and the military departments told us that maintaining high levels for approval authority helps mitigate risks to DOD other than the financial risk of unnecessary spending on conferences. Specifically, these officials said that military department leaders did not want to risk sending personnel to conferences that could be perceived as inappropriate for representatives of DOD, regardless of the financial cost of the conference. By maintaining approval authority at a high level within the military departments, senior DOD leaders are aware of the types of conferences that their civilian and military personnel are attending and can reject requests for conferences that they perceive as potentially damaging to DOD's reputation. A DCMO official commented that although DOD's conference policy allows for more latitude with regard to delegating approval authority than is currently being exercised, the decision thus far to ensure minimum risk by keeping approval levels high is an acceptable implementation of DOD's policy.

Additionally, DOD components have, in some cases, developed supplemental guidance to implement a conference approval process that is consistent with DOD's policy. Components' guidance generally specifies procedures for preparing and submitting requests to host or attend conferences, including how to obtain pre-approval by the appropriate approval authority and what information to include so that the approval authority can determine if the conference is necessary and cost effective. For example, several DOD components have issued templates that standardize the required elements for senior-level reviews, such as including the purpose of a conference, how it fulfills a DOD mission, and specifying estimated costs.

We found that the DOD components generally were consistent with DOD and component-level guidance in processing requests to host or attend conferences. DOD's September 2012 policy and some of the implementing guidance issued by the components—including the military departments—reference the following four key elements that help approval authorities determine the merit of a particular conference: (1) a statement by the requester that the conference is necessary or fulfills a DOD mission; (2) a cost estimate; (3) an assessment of the conference request by a legal counsel; and (4) for DOD-hosted conferences, consideration of alternative means of delivering the information. In our review of 563 approved requests for conferences in the second and third quarters of fiscal year 2013, we found that a majority (311) of the

requests addressed and documented all four key elements. While the remaining 252 requests we reviewed did not contain documentation of all four key elements, we did not find circumstances where a specific element was consistently missing from a significant number of requests. Specifically, for the 563 approved conference requests we reviewed:

- 98 percent of all requests included a statement by the requester that the conference is necessary or fulfills a DOD mission;
- 92 percent of all requests included a cost estimate;
- 66 percent of all requests included an assessment of the conference request by legal counsel; and
- 65 percent of requests for DOD-hosted conferences included evidence that the requester considered alternative means of delivering the information, such as video teleconferencing, and deemed those means infeasible.²¹

We also found that many conference requests included additional information for approving officials to review that was not among the required elements, such as a description of how the requesting organizations were reducing costs to host or attend the conference. Some examples of cost-saving efforts were using public transportation instead of a rental car, not approving travel costs for conference attendees unless they were speaking or making a presentation at the conference, and hosting conferences at government facilities instead of a hotel or convention center. Further, where evidence of a key element was missing, we found that in some cases, a record of the key element was maintained somewhere other than with the conference request documentation we reviewed. For example, officials from the three military service commands with whom we followed up about missing evidence of a legal review in their conference requests told us that legal reviews were

²¹We did not evaluate whether non-DOD hosted conferences could have used alternative means of delivering information because DOD attendees generally cannot influence presentations at conferences hosted by non-DOD organizations.

documented in a document management system or were documented at the service headquarters level.²²

Each DOD component also has implemented DOD's requirement for quarterly reporting to the Deputy Secretary of Defense. Our review found that the DOD components varied in how and when they obtained the data for reporting conference costs. For example, some military service commands and DOD components required the original conference requester to complete a report after the conference with updated cost information and used this data for reporting purposes. Officials from other military service commands and DOD components told us that they reviewed travel vouchers within DOD's travel system or used other financial management systems to obtain updated cost data for each conference. DOD's November 2013 update requires the DOD components to enter reportable cost data into the new DOD Conference Tool within 30 days of a conference's completion if the conference costs more than \$20,000. According to a DCMO official, the components began using the DOD Conference Tool in the fourth quarter of fiscal year 2013.

Some Officials Expressed Concern over DOD's Lengthy Approval Process, Especially for Conferences with Low or No Cost to DOD

While we found that the components' implementation of the conference review and approval process has generally been consistent with DOD's policy, some officials within the components and military service commands have identified concerns about the approval process. During our interviews and in response to our questionnaire, officials cited common concerns related to the time and resources spent on conference approval, and the approval levels required by components for conferences with a low or no cost to DOD.

In response to our question regarding what concerns, if any, DOD components and military service commands had with DOD's conference policy, the most common concern was the amount of time and resources spent to complete the review and approval process. Specifically, officials from 33 percent of the 18 DOD components and 22 percent of the 54 military service commands reported concerns with time and resources.

²²For the purpose of our analysis, conference requests from the three military service commands we contacted were still included in the count of requests that did not have documentation of a legal review because we did not contact the remaining components and commands that were missing documentation of a legal review to determine whether that information was captured elsewhere.

Several military service commands noted in their responses that individuals requesting to host or attend a conference must wait months before requests are approved or rejected. For example, officials from one military service command reported that the process sometimes required a 60-day period to obtain conference approval. In addition, we found that some conference requests took several months to receive final approval. In one instance, the initial request was submitted almost five months in advance of when the conference was scheduled to begin, but final approval was not granted until two weeks prior to the beginning of the conference. Officials from the military departments told us that they have prioritized conference requests from individuals in certain career specialties—such as chaplains and medical professionals—to ensure that they receive the necessary training in time to maintain their professional licensures or certifications. In addition, personnel sometimes are eligible to receive price discounts by completing early registration for certain non-DOD hosted conferences. One non-DOD hosted conference that we reviewed offered a \$300 discount if attendees registered before a certain date.

Some officials raised specific concerns about the number of personnel required for conference reviews. Based on responses that we received from 18 DOD components and 54 military service commands, we found that conference requests often are reviewed by personnel from at least four offices. The multiple reviews can include financial management, administrative, and legal personnel, plus subsequent review by the general officer, flag officer, or senior executive at that organization. Officials from one military service command noted that there is often a bottleneck effect created at the higher approving levels. Officials from another command noted that the approval process for attending conferences is cumbersome and involves significant personnel resources. According to component and command officials, reviewing offices also vary in how many individuals are available for part-time or full-time duty to review conference requests. These individuals typically have other duties, and their assignment to review conference requests is a part-time or collateral duty. Therefore, individuals who review conference requests as a collateral duty may sometimes have to defer their reviews if they need to address higher priorities among their job responsibilities.

Officials from several DOD components and military service commands reported difficulty identifying and implementing procedures to mitigate the amount of time spent on the review process. For example, officials from one DOD academic institution acknowledged the problem of missing deadlines for early registration and not benefitting from a discounted rate.

However, in response to our questionnaire, these officials said that they had difficulty instituting procedures for timely decisions on requests to attend non-DOD hosted conferences because the requester may not know about the conference in time to complete the approval process before the early registration date expires. Additionally, several of the DOD components have developed guidance to initiate conference reviews as early as possible, such as 90 days prior to the start of the conference. However, officials from multiple components noted the difficulty of this requirement in that the need for conference attendance may not be known that far in advance. According to officials from some of the military services, many of the non-DOD entities hosting conferences frequently attended by DOD personnel recognize DOD's constrained budget environment and are willing to work to minimize the costs to DOD. Officials said that in many cases conference hosts have waived registration fees and other conference costs for DOD personnel. For example, Army officials told us they were able to achieve a significant cost avoidance by accepting a professional nonprofit association's offer to waive registration fees and cover travel expenses for key attendees to ensure the Army's participation at the association's annual conference despite fiscal constraints. As a result, the Army saved about \$1 million over previous years' attendance costs.

In addition, some officials raised specific concerns that the approval process requires the same amount of time and resources regardless of the estimated cost of the conference. Officials noted that the approval process involves the same resources for a conference with low or no cost to DOD as it does for a conference costing \$20,000 or more.²³ Our questionnaire to DOD components and military service commands found that officials at 28 percent of the 18 DOD components that responded and 14 percent of the 54 military service commands that responded expressed concern over the approval tiers required by their component's conference guidance. In their responses, some officials specified that the required tier of review was excessive for conferences for which DOD incurred low or no cost.²⁴ Because DOD invests a relatively small amount

²³For comparing different cost levels, our report defines "low-cost" conferences as conferences costing less than \$20,000.

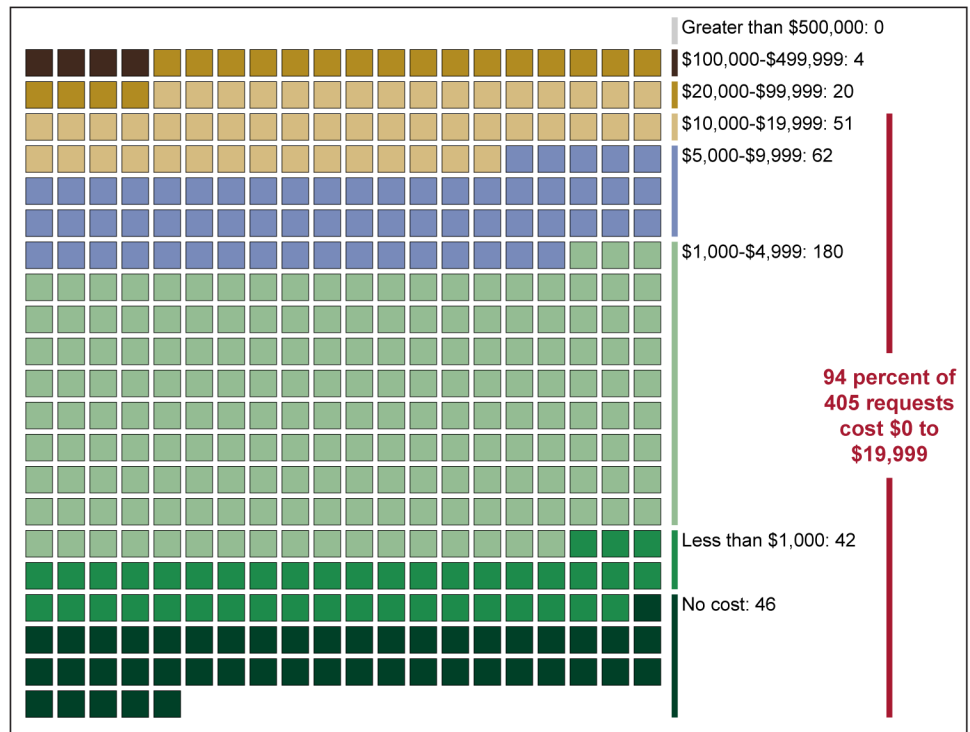
²⁴While DOD's November 2013 updated policy explicitly states that approval is not required for conferences that have no cost to the DOD, this policy was not in effect when the DOD components and military service commands responded to our questionnaire. The September 2012 policy required Tier 1 approval of no-cost contracts with a non-federal entity.

of resources on conferences with low or no cost to DOD, some officials felt that such conferences represented a low risk to DOD and did not require the same scrutiny as more expensive conferences. In our review, we found that a few conference requests that resulted in a low or no cost to DOD took several months between the initial request and the approval. For example, we reviewed a request for one individual to attend a three-day, non-DOD hosted conference with a total estimated cost below \$1,000, and the request was not approved for almost three months.

Most of the requests to attend non-DOD hosted conferences, according to our review, were for conferences with low or no cost to DOD. As shown in figure 2, in nearly 94 percent of the 405 requests for personnel to attend non-DOD hosted conferences,²⁵ the estimated cost of attendance was less than \$20,000 for each conference.

²⁵We asked all DOD components to provide request packages for conferences held in the second and third quarters of fiscal year 2013. All components except those within the Navy provided the requested information. For the Navy, we were able to obtain and review conference requests only for conferences held during the third quarter of fiscal year 2013, and we obtained that information from a Navy database.

Figure 2: Cost of 405 Requests to Attend Second and Third Quarter Fiscal Year 2013 Non-DOD Hosted Conferences



Source: GAO analysis of DOD information.

Similarly, for the 556 DOD-hosted and non-DOD hosted conference requests that we reviewed for which cost information was available,²⁶ we found that the aggregate cost to DOD for all low-cost conferences was significantly lower than the aggregate cost to DOD for more expensive conferences, even though the number of individual requests to attend conferences with low or no cost to DOD was much higher. Specifically, the total estimated cost for 424 DOD-hosted and non-DOD hosted conferences costing \$20,000 or less was around \$2 million, while the total estimated cost for 132 DOD-hosted and non-DOD hosted conferences costing over \$20,000 was approximately \$13.8 million.

²⁶Of the 563 conference requests that we reviewed, 7 did not include cost information. Of the 7, 1 was for a DOD-hosted conference and the remaining 6 were for non-DOD hosted conferences.

Conferences with no cost to DOD often occur when a non-DOD organization that is sponsoring DOD research in a specific field covers all the costs for DOD officials to present the research at a conference. Further, a low cost for a conference can occur when only one or two DOD officials are attending a conference. According to DOD officials, individuals may also strive to keep conference costs below \$20,000 to avoid having to report conference costs for DOD's quarterly and annual reports. For example, DOD components and military service commands may limit the number of people who are allowed to attend a conference to keep the cost below \$20,000.

DOD's November 2013 policy update was issued after we received the responses to our questionnaires and reviewed conference requests. This update specified that there is no requirement for review and approval of requests for conferences that have no cost to DOD, including conferences where all costs are paid by non-DOD entities and the payments are in accordance with DOD gift acceptance rules. According to one DCMO official involved in writing the policy, even with the November 2013 update, the components still have the option to review conferences that incur no cost to DOD in accordance with their conference approval process to facilitate senior leaders' visibility over conference attendance by personnel within their component. Further, the official stated that components are free to institute additional conference processes and procedures as long as they are consistent with the minimum requirements in DOD's November 2013 updated policy.

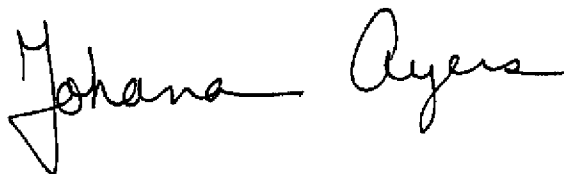
Agency Comments

We provided a draft of this report to DOD for review and comments. In written comments, which are reprinted in their entirety in appendix II, DOD concurred with our findings. DOD noted that it remains committed to balancing the need for rigorous oversight of conference spending with the benefits of hosting and participating in conferences that are essential to DOD's mission. Also, DOD noted that the balance can be difficult to achieve, and officials understand the concerns that the approval process for conferences is too long, especially for conferences with only a small cost. DOD stated that it will continue to monitor the situation to determine if additional steps are necessary. DOD also provided technical comments, which were incorporated into this report as appropriate.

We are sending copies of this report to the Secretary of Defense; the Secretaries of the Army, Navy, and Air Force; the Director of the Office of Management and Budget; and appropriate congressional committees. In

addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff members have any questions about this report, please contact me at (202) 512-5741 or ayersj@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix III.

A handwritten signature in black ink that reads "Johana Ayers". The signature is fluid and cursive, with the first name "Johana" and the last name "Ayers" clearly distinguishable.

Johana Ayers
Acting Director, Defense Capabilities and Management

List of Committees

The Honorable Carl Levin
Chairman
The Honorable James Inhofe
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Dick Durbin
Chairman
The Honorable Thad Cochran
Ranking Member
Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable Howard P. McKeon
Chairman
The Honorable Adam Smith
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable Rodney Frelinghuysen
Chairman
The Honorable Pete Visclosky
Ranking Member
Subcommittee on Defense
Committee on Appropriations
House of Representatives

Appendix I: Scope and Methodology

To determine the extent to which the Department of Defense's (DOD) conference policy is consistent with the Office of Management and Budget's (OMB) requirements for conference approval and cost reporting, we reviewed an executive order and a series of memorandums issued by OMB in fiscal years 2011 through 2013 on promoting efficiency and eliminating excess spending within executive branch agencies.¹ In particular, we reviewed OMB's May 2012 memorandum, *Promoting Efficient Spending to Support Agency Operations*, which includes three key elements for conference sponsorship, hosting, and attendance. These elements are the prohibition of conferences with costs in excess of \$500,000 unless the head of the agency signs a waiver, Deputy Secretary-level review of conference expenses in excess of \$100,000, and public reporting annually of agency-sponsored conferences with costs in excess of \$100,000.² We assessed the extent to which DOD was consistent with the OMB memorandum in issuing DOD's September 29, 2012, memorandum, *Implementation of Conference Oversight Requirements and Delegation of Conference Approval Authority*, and its November 6, 2013, memorandum, *Implementation of Updated Conference Oversight Requirements*. In reviewing DOD's conference policy, we interviewed officials from the Office of the Deputy Chief Management Officer (DCMO) and OMB staff. We also interviewed officials from the Office of the DCMO and obtained relevant documents to review DOD's planned approach for meeting reporting requirements in the Consolidated and Continuing Appropriations Act, 2013. Specifically, we reviewed training materials and spoke to officials about the web-based tool planned to help facilitate reporting beginning in the fourth quarter of fiscal year 2013.

To determine how DOD components have implemented DOD's conference policy, we identified the DOD components' processes and procedures for approving conference requests and reporting conference costs. To that end, we developed, administered, and analyzed responses to a combination of structured interviews and questionnaires that referred

¹White House, Executive Order No. 13589, *Promoting Efficient Spending* (Nov. 9, 2011); OMB M-11-35, *Eliminating Excess Conference Spending and Promoting Efficiency in Government* (Sept. 21, 2011); OMB M-12-12, *Promoting Efficient Spending to Support Agency Operations* (May 11, 2012); OMB M-13-05, *Agency Responsibilities for Implementation of Potential Joint Committee Sequestration* (Feb. 27, 2013).

²The three key elements encompass all of the new policies and practices for conference hosting and attendance in OMB M-12-12.

to DOD's September 2012 conference policy, which was the existing policy when we conducted the majority of our review. The structured interviews and questionnaires were completed by officials at the offices of the Under Secretaries of Defense, Joint Staff, National Guard Bureau, and combatant commands and all four military services (Army, Navy, Air Force, and Marine Corps). To cover as much of the population as possible within the services, we asked each service to provide a list of "major subordinate commands." Both the DOD component and military service command questionnaires consisted of open-ended questions on conference policies, procedures, and costs within the component or command being questioned, a subset of which requested quantitative responses. We pre-tested the questionnaire with one Army command, one Navy command, one Marine Corps command, and one DOD component. After the pre-test, we administered the final questionnaires using a combination of phone interviews and emails. We received oral and written responses from 100 percent of the 18 DOD components and 54 military commands that we selected for interviews or emailed questionnaires. All components and commands that provided responses are listed at the end of this appendix.

The responses that we received to quantitative questions (e.g., the number of conferences hosted in fiscal year 2013) were summarized as standard descriptive statistics. To analyze the content in open-ended responses, one GAO analyst reviewed each open-ended response from each DOD component and military service command to identify recurring themes. Using the identified themes, the analyst then developed categories for coding the responses. A second GAO analyst reviewed each response from each DOD component and military service command and reviewed the first analyst's themes and categories to reach concurrence on the themes and categories. Both GAO analysts then independently reviewed the answers to each open-ended question and placed them into one or more of the coding categories. A third analyst then reconciled the first and second analysts' coding and, through discussion, made a final decision whenever there was disagreement. The key categories we identified and analyzed were (1) steps taken to respond to and verify the accuracy of data provided for the annual and quarterly reporting requirements and (2) concerns about DOD or component conference policy. Because DOD's September 2012 policy was the existing policy when DOD officials responded to our structured interviews and questionnaire, any concerns they raised about DOD's conference policy were in reference to the September 2012 policy.

We interviewed officials from each of the military services who were involved in the implementation of DOD's conference policy, and we reviewed service guidance—including instructions, templates, and checklists—to determine whether it was consistent with DOD's conference policy. Further, in evaluating how DOD collects, maintains, and reports conference costs, we reviewed DOD's publicly reported annual conference report for fiscal year 2012 and assessed the extent to which it contained all elements required by OMB's May 2012 memorandum. We also reviewed DOD's internal quarterly reports on conference costs for the first three quarters of fiscal year 2013. We compared the information included in the quarterly reports to DOD's fiscal year 2012 annual report to identify differences between the annual and quarterly reporting requirements.

We also obtained and evaluated requests for conferences planned for the second and third quarters of fiscal year 2013.³ We obtained requests for this time period because the approval process established by DOD's September 2012 policy was not fully implemented until the second quarter of 2013. Further, conference requests for the fourth quarter of 2013 were not widely available during our review. To obtain conference requests, in our structured interviews and emailed questionnaires we asked officials from each DOD component and military service command to provide us all documents associated with requests for conferences planned to date in fiscal year 2013, including DOD-hosted and non-DOD hosted conferences. For the DOD components, Army, and Air Force, we received documentation directly from the organizations we interviewed or to which we emailed questionnaires. According to Navy and Marine Corps officials, the necessary documentation was centrally maintained in those services' document management systems instead of at the major commands or other subordinate commands; therefore, we received conference request documentation for those two services' major commands from a central office within Navy and Marine Corps headquarters, respectively. For the Navy, we were provided access to a document management system and manually reviewed documents associated with conference requests. For the Marine Corps, we were

³We obtained and reviewed 424 conference requests for the second and third quarters of fiscal year 2013 from the DOD components, Army, Air Force, and Marine Corps. For the Navy, we reviewed 139 conference requests for the third quarter of fiscal year 2013 because second-quarter conference requests had been archived in the Navy's document management system and were inaccessible.

emailed documents associated with conference requests from a similar document management system.

Further, to evaluate conference requests we developed a standardized checklist of key elements needed by approval authorities for their determination of whether a conference should be approved or rejected. We developed a checklist with the following four key elements based on DOD guidance and component-level guidance: (1) an explanation of why the conference was necessary or mission essential; (2) evidence of a legal review of the conference request; (3) evidence of a cost estimate; and, (4) for DOD-hosted conferences, evidence that alternative means of delivering the information, such as video teleconferencing, was considered and deemed infeasible. We assessed the documentation for each conference request against the four key elements to determine if these elements were included. Using our checklist, we reviewed and assessed 563 approved requests for conferences hosted by DOD or attended by DOD personnel in the second and third quarters of fiscal year 2013.

We interviewed officials and, where appropriate, obtained documentation from the following DOD organizations:

- Office of the Secretary of Defense, Office of the Deputy Chief Management Officer
- Department of the Army
 - Office of the Administrative Assistant to the Secretary of the Army
 - Office of the Army General Counsel
- Department of the Navy
 - Office of the Assistant for Administration
 - Office of the Director, Navy Staff
 - Bureau of Naval Personnel
 - Office of the Director, Marine Corps Staff
- Department of the Air Force
 - Office of the Administrative Assistant to the Secretary of the Air Force
 - Office of the General Counsel

The following 72 offices responded to our questionnaire. These offices were either emailed a copy of the questionnaire and provided written responses or were contacted by phone and responded orally to the

questionnaire in a structured interview. We also requested copies of all fiscal year 2013 conference requests from these organizations and used the requests from the second and third quarters of fiscal year 2013 in our analysis, as described earlier in this report.

Army (3)

- U.S. Army Forces Command
- U.S. Army Materiel Command
- U.S. Army Training and Doctrine Command

Navy⁴ (24)

- Chief of Chaplains
- Commander, Navy Reserve Force
- Commander, Navy Installations Command
- Commander, Operational Test and Evaluation Force
- Commander, U.S. Pacific Fleet
- Office of Diversity and Inclusion
- Naval Air Systems Command
- Naval Facilities Engineering Command
- Naval Postgraduate School
- Naval Safety Center
- Naval Sea Systems Command
- Naval Supply Systems Command
- Space and Naval Warfare Systems Command
- Strategic Systems Programs
- U.S. Navy Bureau of Medicine and Surgery

⁴We requested that all recipients of the questionnaire respond directly to GAO. Instead, Navy commands transmitted their responses to a central office within Navy headquarters, and the responses were then transmitted to GAO. In comparing Navy commands' written responses to those of Navy commands that we interviewed and to other military service responses, we believe that the Navy commands' responses are reliable for our purposes.

- U.S. Fleet Cyber Command
- U.S. Fleet Forces Command
- U.S. Naval Academy
- U.S. Naval Forces Central Command
- U.S. Naval Forces Europe and Africa
- U.S. Naval Forces Southern Command
- U.S. Naval War College
- Naval History and Heritage Command
- Bureau of Naval Personnel

Air Force⁵ (13)

- Air Force Chief of Chaplains
- Air Combat Command
- Air Education and Training Command
- Air Force Global Strike Command
- Air Force Materiel Command
- Air Force Reserve Command
- Air Force Space Command
- Air Force Special Operations Command
- Air Mobility Command
- Air National Guard Readiness Center
- Pacific Air Forces
- U.S. Air Force Academy
- U.S. Air Forces in Europe

⁵The Air Force initially included four additional organizations in its list sent to GAO: Office of the Air Force Surgeon General; Headquarters Air Force Learning Office; Secretary of the Air Force/Office of Information Dominance and Chief Information Officer; and Secretary of the Air Force/Administrative Assistant. However, we determined that these offices were not “major commands” and dropped them from our scope. We received no conference request packages from these offices.

Marine Corps⁶ (14)

- Marine Corps Forces, Pacific
- Marine Corps Forces Command
- Marine Corps Forces Reserve
- Marine Corps Forces Cyberspace Command
- Marine Corps Forces Europe and Africa
- Marine Corps Forces, South
- Marine Corps Forces Strategic Command
- Marine Corps Forces Special Operations Command
- Marine Corps Combat Development Command
- Training and Education Command
- Marine Corps Logistics Command
- Marine Corps Recruiting Command
- Marine Corps Installations Command
- Marine Corps Forces Central Command

DOD Components (18)

- Joint Staff
- National Guard Bureau
- U.S. Africa Command
- U.S. Central Command
- U.S. European Command
- U.S. Northern Command
- U.S. Pacific Command

⁶Several Marine Corps major commands did not transmit their responses directly to GAO, as requested, and instead sent them to a central office within Marine Corps headquarters, and the responses were then transmitted to GAO. Based on our comparisons of Marine Corps commands' written responses to other military services' responses, we believe that the Marine Corps commands' responses are reliable for our purposes.

- U.S. Southern Command
- U.S. Special Operations Command
- U.S. Strategic Command
- U.S. Transportation Command
- Office of the Under Secretary of Defense for Acquisition, Technology & Logistics
- Office of the Under Secretary of Defense, Comptroller
- Defense Finance and Accounting Service⁷
- Defense Contract Audit Agency
- Office of the Under Secretary of Defense for Intelligence
- Office of the Under Secretary of Defense for Personnel and Readiness
- Office of the Under Secretary of Defense for Policy

We conducted this performance audit from May 2013 to January 2014 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.

⁷Even though the Defense Finance and Accounting Service and Defense Contracting Audit Agency are offices under the purview of the Under Secretary of Defense (Comptroller), both offices responded separately to our request for conference request packages. Therefore, we analyzed their questionnaire responses separately.

Appendix II: Comments from the Department of Defense



DEPUTY CHIEF MANAGEMENT OFFICER
9010 DEFENSE PENTAGON
WASHINGTON, DC 20301-9010

Ms. Johana Ayers
Acting Director, Defense Capabilities and Management
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

JAN 9 2014

Dear Ms. Ayers,

I am happy to enclose the Department of Defense (DoD) response to the Government Accountability Office (GAO) draft report GAO-14-150, "DEFENSE MANAGEMENT: DoD's Conference Policy Is Generally Consistent with OMB's Requirements," dated December 11, 2013, (GAO Code 351816). The Department has always taken its duty to be a good steward of taxpayer dollars very seriously, including spending on conference related activities. We concur with GAO's findings that our conference oversight policies are generally consistent with and, in many cases, exceed Federal requirements and appreciate the acknowledgement that any deviation the Department has made from these requirements is justified by DoD's unique size and scope.

Additionally, the Department remains committed to balancing the need for rigorous oversight of conference spending with the benefits of hosting and participating in conferences that are essential to our mission. This balance can be difficult to achieve, and we understand the concern discussed in the draft report that the approval process for conferences is too long, especially for those conferences with only a small cost. We believe that this is an issue that will resolve itself over time as familiarity with DoD's conference policy increases and additional approval authority delegations are made by the DoD Components. We will continue to monitor the situation to determine if additional steps are necessary.

The Department appreciates the opportunity to respond to your draft report. We look forward to your continued cooperation and dialog toward our common goal of improving the management of conferences throughout the Department. Should you have any questions, please contact Mr. Thomas Cowley, 703-692-8170, thomas.p.cowley.civ@mail.mil.

Sincerely,



Kevin J. Scheid



Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

Johana Ayers, (202) 512-5741 or ayersj@gao.gov.

Staff Acknowledgments

In addition to the contact named above, key contributors to this report were Tina Won Sherman, Assistant Director; Melissa Blanco; Richard Burkard; Susannah Hawthorne; Greg Marchand; Amanda Miller; Richard Powelson; Sharon Reid; Monica Savoy; Amie Steele; and Roger Stoltz.

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