



U.S. General Services Administration

Dan Tangherlini
Administrator

Committee on Homeland Security and Governmental Affairs
“Examining Conference and Travel Spending Across the Federal
Government”
January 14, 2014

Good morning Chairman Carper, Doctor Coburn, and Members of the Committee. My name is Dan Tangherlini, and I am the Administrator of the U.S. General Services Administration (GSA).

GSA's mission is to deliver the best value in real estate, acquisition, and technology services to Government and the American people. GSA's travel policies reflect this mission. GSA instituted internal travel and conference policies that reduce costs, provide strong oversight, and ensure that travel only occurs when necessary. Additionally, as part of GSA's mission to serve our Federal partners and reduce costs, we are providing tools that assist agencies to better manage their travel and conference spending.

GSA's Policies –

GSA has rigorous controls and oversight mechanisms to ensure that all proposed travel and conference expenses are cost-effective, serve legitimate mission needs, and have appropriate levels of review.

Travel can only be approved when all other alternatives, including video-conferencing, teleconferencing, and webinars have been considered. Additionally, travel must be for work related to GSA's essential mission, such as building inspections. To ensure all travel requests received appropriate review, GSA has instituted policies that limit the use of blanket authorizations and require that travel is authorized in advance on a trip-by-trip basis.

Conferences require submission of a detailed justification, a proposed budget, and review and approval from multiple divisions. At a minimum, this means any conference, no matter the proposed cost, is reviewed both by the head of the relevant division and GSA's Chief Administrative Services Officer (CASO). In line with Administration policies, when the proposed cost of a conference is more than \$100,000, the Deputy Administrator must approve it. Conferences over \$500,000 are prohibited unless I approve them and document the justification for why they must be held. Even attendance at a conference requires multiple layers of approval. Employees must submit for approval a justification for their attendance and an estimate of their expenses.

GSA requires online training regarding conference attendance for GSA employees. This training highlights GSA's important policy of considering cost-effective alternatives like teleconferencing, and ensures every employee understands the difference between

appropriate and inappropriate expenses. Employees receive training regarding the Federal Travel Regulation, ensuring better compliance. GSA has also presented the conference training to other agencies to either incorporate into their own training courses or to use our web capability for their own agency use.

In line with the Administration's policies, GSA also has improved transparency into conference expenses. We post all approved, agency-sponsored conferences with a cost of over \$100,000 on a publicly available website that includes the budget and a justification for why the conference was held. In Fiscal Year (FY) 2013, GSA held no conference above that amount.

All told, these policies have dramatically reduced costs, improved oversight, and made certain that travel and conference expenses are fully justified and mission-related. In Fiscal Years 2012 and 2013, GSA saved in total more than \$68 million in nonessential travel and transportation costs.¹

Government-Wide Efforts –

This Administration has been clear about the need to cut wasteful spending and increase efficiency. Executive Order 13589, "Promoting Efficient Spending," directs agencies to cut waste in Federal Government spending and identify opportunities to promote efficient and effective spending, including a reduction in conference and travel costs. OMB Memorandum M-12-12, "Promoting Efficient Spending to Support Agency Operations," implements the executive order, and provides policies and practices to achieve these efficiencies. Among other items, this Memorandum directs agencies to require the approval of senior officials for conferences with expenses over \$100,000, prohibit conferences with expenses of more than \$500,000 (unless the agency's head provides a waiver finding that exceptional circumstances exist whereby spending in excess of \$500,000 on a single conference is the most cost-effective option to achieve a mission goal), and increase transparency by reporting these costs publicly.

To further these efforts Government-wide, GSA has identified ways we can assist agencies by providing tools to help them better manage their travel and conference costs. For example, to help agencies prioritize use of Federally-owned space, GSA has created an online tool known as "Federal Meeting Facilities,"² which identifies Federal agencies that have conference and meeting space for agencies' use. Conducting

¹ Compared to an FY 2010 baseline.

² "Federal Meeting Facilities." U.S. General Services Administration. February 2013. U.S. General Services Administration. February 2013. <http://fedmeetingspace.cfo.gov>.

business and hosting conferences in space controlled by the Federal Government is one way to reduce travel and related costs. The tool allows agencies to search and sort through a variety of different offerings, with contact information for the agency point of contact to work with to secure the space.

Additionally, GSA's E-Gov Travel Service 2 (ETS2) will further consolidate online travel booking services, driving additional cost-savings and efficiencies, while delivering improved accountability and reducing waste. ETS2 will adhere to regulations and support policy for conference travel spending reporting and other travel related activities, in order to both meet the requirements of OMB and provide greater transparency for customer agencies.

GSA is also utilizing data to allow agencies to make more informed decisions about where to host conferences, when they are determined to be necessary to their mission. GSA's Conference Planning Tool compares potential destinations by major cost drivers, such as contract airfare and per diem rates, enabling agencies to make data-backed decisions on where conferences should be held. GSA is training administrative officers in over 20 Federal agencies on how to identify low cost destinations and venues for conferences and meetings.

Additionally, GSA eliminated what was known as the conference lodging allowance. Previously, this permitted travelers attending a conference to exceed the maximum lodging per diem rate by up to 25 percent, if staying at the site of the conference, when authorized.

Finally, GSA is interested in finding ways to further reduce the Government's travel costs long-term. In FY 2012, GSA formed the Government-Wide Travel Advisory Committee (GTAC). The GTAC's purpose is to review existing travel policies, processes, and procedures to determine ways agencies can achieve their mission-related travel needs in an effective and efficient manner at the lowest possible cost. To ensure we received input from all relevant stakeholders, the Committee's members were chosen from the travel industry, Federal, State and local governments, travel and convention bureaus, and representatives from corporations. The GTAC has been providing advice and recommendations for improvements to increase travel efficiency and effectiveness, reduce costs, and incorporate industry best practices. To ensure transparency on how recommendations have been formulated, Committee business is posted publicly, in line with the rules for Federal Advisory Committees. The GTAC worked in partnership with industry to formally review and endorse GSA's methodology for determining Federal per diem rates, which we used to adjust FY 2014 rates.

In sum, GSA believes that these Government-wide efforts will result in significant savings for the Federal government and the American people.

Conclusion –

The Administration is focused on improving the effectiveness and efficiency of Government, including reducing travel and conference costs. GSA is committed to helping with those efforts. GSA has rigorous internal policies, provides tools to other agencies to help them make more informed travel and conference spending decisions, and is working on broader reforms and programs that would result in greater savings long-term.

GSA is fully dedicated to its mission of delivering best value in real estate, acquisition, and technology services to the Government and the American people. I appreciate the opportunity to be here today and I welcome any questions you have.