

**STATEMENT OF  
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U.S. DEPARTMENT OF LABOR**

**BEFORE THE**

**SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT  
GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY**

**COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS**

**U.S. SENATE**

**September 14, 2006**

Dr. Coburn, Ranking Member Carper, and other distinguished Members of the Subcommittee, thank you for the opportunity to testify today on the topic of “Federal Agencies and Conference Spending.”

The Department of Labor (DOL) is proud of its track record of fiscal restraint, management excellence, and of ensuring that every federal dollar is well spent. The President’s 2007 Budget requested the lowest discretionary Budget Authority for the Department since FY 1997. Between 2001 and 2007, the Department’s discretionary budget *declined* by a cumulative 8.7 percent. As of June 2006, DOL remained the only Executive Branch agency to achieve a “green” status on all five of the government-wide President’s Management Agenda (PMA) initiatives. In April 2006, the Department continued its first-place ranking in the Mercatus Center’s scorecard of Performance and Accountability Reports (PARs). The most recent PAR included our ninth consecutive clean audit of the Department’s FY 2005 financial statements. And last December, the Department received the President’s Quality Award for Performance in Integrating Management Systems, becoming the first Department to achieve this award for management excellence.

**Departmental Authority and Policy on Conferences**

Since enactment of its FY-1993 appropriation, the Department has had permanent authority to pay “for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.” With our focus on doing more with less, we have imposed even greater rigor in the application of our budgetary resources.

The Department has structured controls to restrict DOL participation in and sponsorship of conferences in which the subject matter or objective clearly advances DOL's mission, promotes achievement of our strategic and annual performance goals, or enhances the ability of our employees to serve the public. Through this restrictive approach, DOL sponsors, co-sponsors, or approves staff participation in conferences for such mission-related, as well as congressionally mandated, purposes, as:

- Educating the public about the available resources and programs of the Department that enhance employment opportunities and business prosperity, worker health and workplace safety;
- Enhancing the welfare and protecting the rights of American workers, including promoting compliance by helping both employers and employees understand our labor laws and regulations;
- Supporting efforts to help workers gain the skills they need for the 21<sup>st</sup> Century workforce;
- Enhancing diversity in the workforce; and
- Educating departmental field staff about new techniques to improve workforce health and safety.

### **Guidelines for Conference Participation**

DOL has specific guidelines for conference participation. They include:

- Policies governing conference site selection are established in Department of Labor Manual Series (DLMS), General Travel Regulations for Conference Planning (DLMS 7-1, Part 16). This policy ensures that agencies exercise strict fiscal responsibility in choosing a site that is in the best interest of the Government. The site selection process includes conducting cost comparisons in terms of size, scope, and location, and maintaining written documentation of alternatives considered, as well as the selection rationale used. Our guidance also ensures that conference sites are selected that minimize conference administrative costs and conference attendees' travel costs to be paid by the Government, as well as conference attendees' time costs.
- Policies governing the authorization of travel expenses associated with conference attendance are established in DLMS 7-1, Subpart B, General Travel Regulations for Official Government Business Travel. These guidelines ensure that agencies authorize only such travel that is necessary to accomplish the purposes of the government effectively and economically. In determining whether travel is necessary, our guidance requires consideration of budget constraints, adherence to travel policies, and reasonableness of expenses. In addition, strict management oversight ensures that the conference clearly advances the Department's mission, promotes the achievement of performance goals or enhances services to the public as described above.

- Policies governing employee participation in developmental opportunities are in accordance with the Government Employees Training Act (GETA) of 1958, which establishes a flexible framework for the training and development of the Federal workforce. GETA allows agencies to fund employee training and development to assist in achieving their mission and performance goals by improving employee and organizational performance. The Department's Human Resources Center in the Office of the Assistant Secretary for Administration and Management (OASAM) provides leadership, coordination, guidance, and technical expertise in all areas related to management of DOL's human resources – including training, development, and continuous learning.

### **Trends in Conference Spending**

In response to the Chairman's request, DOL has provided the Committee budget data on total obligations for conference activities in fiscal years (FY) 2001-2005, with estimates for FY 2006. As our data illustrate, DOL obligated \$5.1 million to sponsor, co-sponsor, or participate in conferences in FY 2005. In FY 2005, obligations for conferences represented just 0.04 percent of the Department's total discretionary budgetary resources. For FY 2006, we estimate that conference-related obligations will decline to \$4.7 million, a reduction of nearly 8 percent below the year-earlier level, and 28 percent below the FY 2003 level. Over the past five years, the Department's obligations for conferences totaled \$29 million, or 0.05 percent of discretionary budgetary resources of \$60 billion. At this time, it is not possible to provide a list of FY 2007 conferences, dates, or precise estimate of DOL's total obligations for conferences, but we expect it to be at or below the FY 2006 level. Our track record of restrained spending for conferences demonstrates that DOL has obligated federal funds prudently, using funds for conferences that are important to the Department's mission and yield value to taxpayers.

DOL is committed to maintaining strong financial management. We are continuously monitoring our internal controls and strengthening our Departmental policies to ensure cost-effective ways to maximize our resources.

Thank you for the opportunity to appear before you today to discuss the nature and extent of DOL's conference spending. I will be happy to take your questions.