



Department of Justice

STATEMENT

OF

LEE J. LOFTHUS
ACTING ASSISTANT ATTORNEY GENERAL FOR ADMINISTRATION

BEFORE THE

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT
INFORMATION, AND INTERNATIONAL SECURITY
COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
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CONCERNING

CONFERENCE SPENDING WITHIN FEDERAL AGENCIES

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Statement of Lee J. Lofthus
Acting Assistant Attorney General for Administration
U.S. Department of Justice

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Senate Committee on Homeland Security and Governmental Affairs
Subcommittee on Federal Financial Management, Government Information, and
International Security

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Good afternoon Chairman Coburn and distinguished members of the Subcommittee. I thank you for the opportunity to appear before you to discuss the issue of conference spending in federal agencies. The Justice Department appreciates your interest in this topic and shares your concern for assuring the American people that their tax dollars are spent appropriately for this purpose.

DOJ's mission

Last Monday the Nation marked the 5-year anniversary of the terrorist attacks on American soil. We are reminded by recent events in Afghanistan and the Middle East, and the dismantling of terrorist plots in the United Kingdom, that while America is safer now than it has ever been, additional challenges remain. For the men and women of the Department of Justice, these events have only strengthened their conviction and reaffirmed their commitment to work to protect the lives and liberties of all Americans.

Even as the Department focuses on the war against terror, we continue our traditional emphasis on fighting crime and protecting our communities. The Nation is faced with the continuing challenges of crime, gang violence, and the proliferation of illicit drugs as well as new challenges of crimes against children, which demand a timely and firm response. These and other law enforcement and public safety efforts represent a large portion of the overall mission of the Justice Department.

Our traditional law enforcement responsibilities, as well as our primary emphasis on prevention of terrorist acts, require coordination of efforts among all levels of government. This coordination includes sharing of national security-related intelligence; the conduct of joint operations integrating the efforts of our partners at all governmental levels against a wide variety of criminal enterprises; and the provision of law enforcement leadership and criminal justice services to our federal, state, municipal and international agencies and partners. The Department's components accomplish these efforts using a variety of information sharing approaches including enhanced information technology, training and technical assistance, and participation in conferences arranged by DOJ component agencies and by other organizations involved in law enforcement and terrorism prevention. These efforts have borne results in the form of substantial reductions in the level of violent crime, drug use, and property crime over the past decade.

Conference participation within DOJ

Departmental participation in conferences, training, and non-operational travel is managed and approved by the individual bureaus and offices of DOJ. Funding for participation in these events is subject to the availability of resources in individual component appropriations for these functions.

Actual Expenditures for Conferences

In our most recent report on costs incurred for DOJ participation in conferences that we prepared and forwarded to this committee, we indicated that our total annual Department-wide expenditures on conferences from the beginning of 2001 have ranged from \$33.8 million in 2001, to \$42.2 million anticipated for 2006, with our highest annual expenditure -- \$58 million -- occurring in 2004. Although these are significant expenditures of Departmental resources, they amount to 0.2 percent (two-tenths of one percent) of our annual discretionary funding over the 6-year period. We are in the process of preparing a list of the specific conferences we anticipate for 2007, with the associated costs, which the Chairman requested in his August 28, 2006, invitation to participate in this hearing.

Conferences Held at Non-Federal Facilities

Although conference spending within the Department is generally budgeted and approved by component heads, subject to the availability of appropriated resources, conferences sponsored by DOJ components that are proposed to be held at non-government facilities are subject to my review and approval.

Section 1173 of Public Law 109-162, the Violence Against Women and Department of Justice Reauthorization Act of 2005 (The Act), states that unless authorized in writing by the Attorney General, the Department of Justice (and each entity within it) shall use for any predominantly internal training or conference meeting only a facility that does not require a payment to a private entity for the use of the facility. The Act also requires the Attorney General to prepare an annual report to the Chairmen and ranking minority members of the Committees on the Judiciary of the Senate and of the House of Representatives that details each training and conference meeting that required specific authorization. The report must include an explanation of why the facility was chosen and a breakdown of any expenditures incurred in excess of the cost of conducting the training of conference meeting at a facility that did not require such authorization.

DOJ Policy

Pursuant to this Act, DOJ developed policies regarding the use of non-federal facilities. Our guiding principles are:

- Approval must be obtained regardless of the cost of the conference facility and/or conference;
- Requests must be submitted by the official responsible for approving the event;

- As an internal control, the after-conference report must be submitted by the same individual that submitted the request;
- Locations or accommodations that may have the appearance of being lavish must be approved by the head of the component submitting the request;
- Market research must be performed as set forth in the FAR, Part 10, in order to obtain the comparative cost information necessary to submit the request;
- Estimated costs must be determined and itemized by category (e.g. meeting space, meals and incidental expenses, transportation, and other costs);
- Commitments or announcements regarding events in a non-federal facility must not be made until approval is granted by me; and
- Proper procurement regulations must be followed once approval is granted.

The policy also introduced a new Department Non-federal Facility Request Center including an on-line request format that, when completed, is sent to a centralized e-mail address for processing. As a result of instituting these internal controls, we have been able to keep DOJ's 32 Departmental training locations actively engaged; and we have referred potential conference events to approximately 60 other government training locations.

This policy was initially challenging to implement because it required a procedural change in the way certain conferences are approved. But, we are now confident that each component is fully aware of the new approval procedures. The additional scrutiny has resulted in approximately \$1.1 million in savings to the taxpayers.

As the Acting Chief Financial Officer, I assure you that I enforce all of our internal policies for sponsorship of, and attendance at, conferences; and I am supportive of expenditures for well-conceived and cost-conscious alternatives to participation in conferences proposed for remote locations or locations presenting the appearance of being a resort or having lavish accommodations.

Conference participation by employees of the Department of Justice is scrutinized by the appropriate supervisory levels, weighed against competing resource needs for overall component operations, brought to my attention for approval when non-federal facilities are proposed, and reported annually to the Congress as required in legislation and report language. These mechanisms have been put in place to assure our citizens that DOJ resources are efficiently and effectively spent to further the Department's mission and to foster national priorities for law enforcement and public safety.

I thank you for the opportunity to appear before the Subcommittee to discuss this important topic, and I look forward to answering any questions you may have.