

**Statement of the Honorable Charles S. Abell
Assistant Secretary of Defense (Force Management Policy)
Senate Committee on Governmental Affairs
Permanent Subcommittee on Investigations
6 November 2003**

Mr. Chairman, members of the committee, my colleague and I are here to provide the initial views of the Department of Defense in response to the draft General Accounting Office (GAO) report on DoD use of premium class travel.

The GAO report questions the Department's policies, procedures, and monitoring related to our premium class travel, and we already are working on some needed changes. The Department of Defense takes very seriously any questionable spending such as that noted in the GAO report. Any unjustified expenditure diverts funding vitally needed to sustain U.S. military operations and other pressing priorities.

For travel, and every other functional area, the Department must have policies that clearly detail what is proper, and we must have strong internal controls to monitor and enforce those policies. Our policies must leave no room for misunderstanding or abuse.

Task Force on Premium Class Travel

In addition to actions the Department already is taking in response to the GAO report's findings, I am announcing here today the formation of a task force to more fully diagnose and propose remedies for our premium class travel shortcomings. The work of this task force will benefit from the methodologies and findings of the GAO report.

Our goal will be for this new task force to be as thorough and successful as our earlier task force on government charge cards. As with that earlier effort, we will marshal expertise and real-world experience from across the Department to include the Office of the Inspector General and GAO. Our work will range from over-arching policies to specific internal controls.

Since we are just beginning this comprehensive analysis of premium class travel, today I cannot tell you exactly how we will address all the issues raised in the GAO report. However, the Department's creation of this new task force underscores how seriously we take the type of problems identified by the GAO.

An especially important mission of the task force will be to analyze the roles played by each DoD organization involved in premium class travel – roles ranging from policy development to authorization in travel orders to paying the final travel bills. The Department will determine whether any changes in organizational roles are needed to strengthen internal controls for premium class travel.

Updating DoD Travel Regulations

We are not waiting on the task forces recommendations and have already made some changes to our policies. As indicated in the GAO report, the Department has begun updating its

travel regulations. Our goal is to promulgate clear, strong policies that will enable us to manage premium class travel most effectively. The Department expects its new regulations to state clearly that:

- Premium class travel should be used only when authorized and only when exceptional circumstances warrant the additional cost.
- Authorization documents must state the general condition that justifies premium class travel – for example, a substantiated medical condition.
- Justification of premium class travel must be consistent with criteria in government-wide General Services Administration (GSA) regulations.
- Travel regulations issued by DoD component organizations must be consistent with the new overarching policy.

The new regulations will include details on how to properly document the authorization and justification of premium class travel. Part of this guidance will be clear direction as to who should retain documentation of each justification and for how long.

We will realize further enhancement of our ability to oversee and manage travel with the fielding of the Defense Travel System. This system was recently approved for fielding. It is operational at 24 sites already and will be totally fielded by FY 2006. When this system is fielded it will replace 43 legacy systems and give the Department a view of these types of situations in real time versus discovering these problems after the fact.

Closing

In closing, over the past two years, the Department has undertaken a massive overhaul of its management and support activities. What we especially aim to achieve is a cohesive, comprehensive management information systems that will make it much easier for us to track transactions, ensure strong internal controls, and prevent abuses and eliminate inadequately documented spending.

Finally, I again want to assure this committee that the Department of Defense takes very seriously any indication of questionable spending. We will not tolerate any situation that wastes money needed to support our military and that undermines our strong stewardship of the public's trust and resources. Thank you.