

**THE DEFENSE TRAVEL SYSTEM: BOON OR
BOONDOGGLE?**

HEARING

BEFORE THE

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

OF THE

COMMITTEE ON

HOMELAND SECURITY AND

GOVERNMENTAL AFFAIRS

UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

—————
SEPTEMBER 29, 2005
—————

Printed for the use of the Committee on Homeland Security
and Governmental Affairs



THE DEFENSE TRAVEL SYSTEM: BOON OR BOONDOGGLE?

**THE DEFENSE TRAVEL SYSTEM: BOON OR
BOONDOGGLE?**

HEARING

BEFORE THE

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

OF THE

COMMITTEE ON
HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

—————
SEPTEMBER 29, 2005
—————

Printed for the use of the Committee on Homeland Security
and Governmental Affairs



U.S. GOVERNMENT PRINTING OFFICE

24-241 PDF

WASHINGTON : 2006

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2250 Mail: Stop SSOP, Washington, DC 20402-0001

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

SUSAN M. COLLINS, Maine, *Chairman*

TED STEVENS, Alaska	JOSEPH I. LIEBERMAN, Connecticut
GEORGE V. VOINOVICH, Ohio	CARL LEVIN, Michigan
NORM COLEMAN, Minnesota	DANIEL K. AKAKA, Hawaii
TOM COBURN, Oklahoma	THOMAS R. CARPER, Delaware
LINCOLN D. CHAFEE, Rhode Island	MARK DAYTON, Minnesota
ROBERT F. BENNETT, Utah	FRANK LAUTENBERG, New Jersey
PETE V. DOMENICI, New Mexico	MARK PRYOR, Arkansas
JOHN W. WARNER, Virginia	

MICHAEL D. BOPP, *Staff Director and Chief Counsel*

JOYCE A. RECHTSCHAFFEN, *Minority Staff Director and Chief Counsel*

TRINA D. TYRER, *Chief Clerk*

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

NORM COLEMAN, Minnesota, *Chairman*

TED STEVENS, Alaska	CARL LEVIN, Michigan
TOM COBURN, Oklahoma	DANIEL K. AKAKA, Hawaii
LINCOLN D. CHAFEE, Rhode Island	THOMAS R. CARPER, Delaware
ROBERT F. BENNETT, Utah	MARK DAYTON, Minnesota
PETE V. DOMENICI, New Mexico	FRANK LAUTENBERG, New Jersey
JOHN W. WARNER, Virginia	MARK PRYOR, Arkansas

RAYMOND V. SHEPHERD, III, *Staff Director and Chief Counsel*

C. JAY JENNINGS, *Senior Investigator*

ELISE J. BEAN, *Minority Staff Director and Chief Counsel*

MARY D. ROBERTSON, *Chief Clerk*

CONTENTS

Opening statements:	Page
Senator Coleman	1
Senator Coburn	5
Senator Levin	18
Senator Carper	19

WITNESSES

THURSDAY, SEPTEMBER 29, 2005

Hon. Charles Grassley, a U.S. Senator from the State of Iowa	3
Thomas A. Schatz, President, Citizens Against Government Waste	8
Robert Langsfeld, Partner, The Corporate Solutions Group, Menlo Park, California	9
Thomas F. Gimble, Acting Inspector General, U.S. Department of Defense	25
Scott A. Comes, Director, Strategic and Information Programs Division, Program Analysis and Evaluation, U.S. Department of Defense	27
McCoy Williams, Director, Financial Management and Assurance, U.S. Government Accountability Office	28
Zack E. Gaddy, Director, Defense Finance and Accounting Service, U.S. Department of Defense	29

ALPHABETICAL LIST OF WITNESSES

Comes, Scott A.:	
Testimony	27
Gaddy, Zack E.:	
Testimony	29
Prepared statement	93
Gimble, Thomas F.:	
Testimony	25
Prepared statement	60
Grassley, Hon. Charles:	
Testimony	3
Langsfeld, Robert:	
Testimony	9
Prepared statement with attachments	49
Schatz, Thomas A.:	
Testimony	8
Prepared statement	41
Williams, McCoy:	
Testimony	28
Prepared statement	65

EXHIBITS

1. Through the Looking Glass, a Citizens Against Government Waste Special Report: <i>Defense Travel System: The Twilight Zone of Travel</i> , September 28, 2004	100
2. Report of The Corporate Solutions Group, <i>eTravel/DTS Fare Audit, Task "A," Report and Findings, Executive Summary, Revision III</i> , May 5, 2005 ..	115
3. Report of The Corporate Solutions Group, <i>eTravel/DTS Fare Audit, Task "A," Report and Findings, Revision IV</i> , May 5, 2005	121
4. Report of The Corporate Solutions Group, <i>eTravel/DTS Fare Audit, Task "B," Report and Findings, Revision I</i> , April 18, 2005	246

IV

	Page
5. Department of Defense Inspector General Report, <i>Allegations to the Defense Hotline on the Management of the Defense Travel System</i> , July 1, 2002	307
6. Department of Defense Program Analysis and Evaluation (PA&E) Division Report, <i>Defense Travel System Cost Effectiveness Review</i> , December 2002	356
7. Department of Defense Project Management Office rebuttal to DOD PA&E'S December 2002 Report, <i>Defense Travel System Cost Effectiveness Review</i>	373
8. Correspondence from David S. C. Chu, Under Secretary of Defense, to The Honorable Norm Coleman, Chairman, Permanent Subcommittee on Investigations, dated September 29, 2005, regarding Defense Travel System	375
9. Responses to supplemental questions for the record submitted to Thomas Schatz, President, Citizens Against Government Waste	376
10. Responses to supplemental questions for the record submitted to Robert Langsfeld, Partner, The Corporate Solutions Group	377
11. Responses to supplemental questions for the record submitted to Thomas F. Gimble, Acting Inspector General, U.S. Department of Defense	381
12. Responses to supplemental questions for the record submitted to McCoy Williams, Director, Financial Management and Assurance, Government Accountability Office	386
13. Responses to supplemental questions for the record submitted to Dr. Scott A. Comes, Director, Strategic and Information Programs Division, Program Analysis and Evaluation, U.S. Department of Defense	391

THE DEFENSE TRAVEL SYSTEM: BOON OR BOONDOGGLE?

THURSDAY, SEPTEMBER 29, 2005

U.S. SENATE,
PERMANENT SUBCOMMITTEE ON INVESTIGATIONS,
COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 10:02 a.m., in room 342, Dirksen Senate Office Building, Hon. Norm Coleman, Chairman of the Subcommittee, presiding.

Present: Senators Coleman, Coburn, Levin, and Carper.

Staff Present: Raymond V. Shepherd, III, Staff Director and Chief Counsel; C. Jay Jennings, Senior Investigator; Leland Erickson, Counsel; Mary D. Robertson, Chief Clerk; Melissa Stalder, Intern; Melissa Audick, Intern; and Peter Levine (Senator Levin/Armed Services Committee).

OPENING STATEMENT OF CHAIRMAN COLEMAN

Senator COLEMAN. This hearing of the Permanent Subcommittee on Investigations is called to order.

Our first witness will be Senator Grassley. What I am going to do is begin my opening statement, but when my colleague comes, we always defer to the Chairman of the Finance Committee and we will have him give his statement and then move on to the other panels.

I should also note that we have a vote at 11—I will have to leave at 11:15. We need to be in our seats by 11:20 and then a vote on the Roberts nomination at 11:30, so I will adjourn the hearing and after that vote, we will reconvene and finish up the testimony. So we will be adjourning at 11:15.

Good morning and thank you for attending today's hearing. Nobel Prize winning economist Milton Friedman once stated, "Governments never learn, only people learn." I disagree. My job as Chairman of the Permanent Subcommittee on Investigations is to ensure that our government learns as well. Simply put, that is why we are having this hearing, "The Defense Travel System: Boon or Boondoggle?" It follows from other investigations this Subcommittee has held on Defense Department waste, fraud, and abuse.

In November 2003, this Subcommittee conducted a hearing on the Department of Defense's use of first and business class airline travel. At the hearing, it was determined that DOD had not properly authorized or justified 73 percent of the first and business

class travel undertaken in the fiscal years 2001 and 2002. DOD spent \$124 million on over 68,000 tickets during these 2 years. The improper authorization and justification of these tickets resulted in the improper expenditure of over \$60 million in 2 years.

On February 12, 2004, the Subcommittee held a hearing on "DOD Contractors Who Cheat on Their Taxes." The hearing examined the failure to collect unpaid taxes owed by contractors doing business with the Department of Defense and getting paid with taxpayer dollars. The Subcommittee determined that 27,000 DOD contractors owed \$3 billion in unpaid taxes. The taxes were not collected because DOD was not validating contractors' taxpayer numbers and was not referring contractor payments to the Financial Management Service to identify unpaid tax debt.

This hearing is designed to determine if DTS is the windfall to DOD travel that it was promised to be or simply a waste of taxpayers' money. I have repeatedly asked DOD about DTS because there are credible allegations that DTS has very serious problems. Specifically, I have heard that DTS is 4 years behind schedule; is deployed to barely half of the 11,000 DOD travel sites; has grown in cost from \$273 million to \$500 million—and even for government that is a lot of money—it does not identify the lowest available airline fares; it does not identify all available lodging facilities that offer government rates; and has not generated the projected cost savings for travel agent services and voucher processing.

I am particularly concerned with DOD's failure to realize the projected cost savings for travel agent services. This has occurred because DOD has made the use of DTS voluntary rather than mandatory at those sites where it has been deployed. The current utilization rate for DTS at those sites is about 5 percent. DOD pays travel agents about \$5 for DTS transaction as compared to about \$25 for a traditional transaction. Thus, 95 percent of DOD's travel transactions are costing DOD \$20 more for each transaction. This translates into millions of dollars that DOD is wasting in realized cost savings.

On three separate occasions over the past 2 years, I have asked DOD to respond to these allegations. DOD has been unresponsive. For example, I asked DOD if DTS always finds the lowest available airfare. DOD begged the question by stating that DTS displays GSA contracted city pair flights without stating that these are always the lowest cost fairs.

Finally, on August 11, I sent a Chairman's letter to the Secretary of Defense in which I laid out my concerns with DOD's failure to respond to allegations about DTS. Further, I requested that the Secretary suspend further implementation of DTS until the questions about the system have been fully addressed and resolved.

Let me be specific about that. One year and one day from today, the DTS contract will expire. Before DOD renews the DTS contract, the substantive problems and cost and benefit questions about DTS need to be fully resolved. To ensure that DTS is comprehensively and objectively reviewed, I have asked the Government Accountability Office and the DOD Inspector General to evaluate and report on DTS. I asked GAO to identify the problems that need to be addressed and I have asked the Inspector General to conduct a cost benefit analysis and determine if DTS will address DOD's

travel needs. Those evaluations and reports are to be concluded before the DTS contract is renewed and will provide the Secretary with the answers he needs to ensure that hundreds of millions of taxpayer dollars are not wasted on an inefficient travel system.

That is a perfect entree to our first witness before this Subcommittee. I would like to welcome the Chairman of the Senate Finance Committee, Senator Charles Grassley. Senator Grassley testified at our November 2003 hearing on DOD's improper use of first and business class airline travel. This was the first in a series of Subcommittee hearings that focused on waste, fraud, and abuse in the Department of Defense.

Senator Grassley, I welcome you back to this Subcommittee. I know that you have a great interest and expertise in the subject matter of this hearing. You have worked aggressively over the years to expose waste, fraud, and abuse in government and I thank you for that focus and for that service and I thank you for your participation in today's hearing and look forward to hearing your testimony.

Senator Grassley, you may proceed.

**TESTIMONY OF HON. CHARLES GRASSLEY, A U.S. SENATOR
FROM THE STATE OF IOWA**

Senator GRASSLEY. I want to thank you, too. You are doing a very fine job in the leadership of this Subcommittee in this area and in a lot of other areas, as well. I want to thank you for doing that. Your Subcommittee is a premier committee for getting to the bottom of a lot of problems that we have in government and bringing them to light and finding solutions for them, and I am sure the same end result will come as a result of what we are doing here.

Although, as your statement probably made clear, as well as my statement will make clear, it is kind of frustrating that we think we make progress 2 or 3 years ago and then review it now and you wonder whether you have made any progress.

As you said, I have been looking into waste, fraud, and abuse in the Department of Defense travel for several years. I started with charge cards, travel cards, and purchase cards. I think we are all very familiar now with the stories of inappropriate purchases made with government charge cards. That led to concerns about other aspects of Department of Defense travel.

Mr. Chairman, you and I and others asked the Government Accountability Office to look into improper premium class air travel and I testified at a hearing before this Subcommittee in November 2003. We also asked the GAO to issue reports on unused airline tickets going to waste as well as fraudulent travel claims. I also testified at a hearing before the full Governmental Affairs Committee on those issues in June 2004. At both of those hearings, representatives of the Department of Defense came in here with very embarrassing testimony, promising to do better. They said that there was this new computer system called the Defense Travel System that will fix all the problems.

It happens that by that time, DTS already had problems that we were probably unaware of at that time, but we are now very aware of. It was originally supposed to be fully implemented by 2002. As this deadline approached, the Department of Defense restructured

the contract and I assume they were doing it because they saw problems with it at that particular time. But anyway, it was stalled through the restructuring of the contract. The taxpayers, of course, are now paying most of the development costs and the new deadline to have DTS fully implemented, it is my understanding, is going to be at the end of the year 2006.

In July 2003, the Inspector General of Defense issued a report criticizing DTS for being behind schedule and over the projected cost. In 2003, the Department of Defense Program Analysis and Evaluation Division completed a report questioning whether DTS was the most cost-effective solution to these problems that you and I have brought forward, but it still survived.

Despite all its problems, we then have lots of taxpayers' money being sunk into DTS. I want to know, as a result of all these expenditures, and I don't ask questions like this just of the Department of Defense but recently I asked them of the Department of Justice and FBI on one of their computer systems, that we need to know what the taxpayers are getting for their money. Is there any end to getting to the bottom of the problems of this program? And will we have something functioning and getting our taxpayers' money's worth, or was it a big mistake right from the very beginning? In the case of the FBI, they started all over again.

I think we need to ask of DTS, really, is it a silver bullet that will solve all of the DOD's travel problems? Will it prevent improper premium-class travel? Will it catch unused airline tickets so that refunds can be obtained? Will it prevent fraudulent travel claims from being processed?

These are all questions that you and I have asked before, Mr. Chairman, and we still don't have a system in place that is going to answer these, and that is why we have the problems brought to our attention and the waste of taxpayers' money.

I understand now that the Government Accountability Office is going to testify that DTS can be helpful in some of these areas, although it is clearly not a cure-all as it was advertised to be. Now, maybe the testimony will say something different, but that is what I understand will be the gist of it.

Moreover, I understand that DTS currently cannot be relied on to find the lowest available airfare consistent with the travel requirements of the Department of Defense. Now, that is really, when you get right down to it, if you are going to have a new control system in place, that is a pretty basic function that we ought to expect from a travel system.

Since taxpayers' money went into the development of DTS, I think we should also know what we purchased. Usually, when the government pays to have something developed, it owns the final product. That doesn't appear to be the case as you read the DTS contract. So what exactly did the government buy with all of this money?

Finally, we have to ask, is DTS the most cost-effective option for DOD travel at this point?

So, Mr. Chairman, I, of course, commend you for holding this hearing. I know that as a result of this hearing, you will get answers to these questions and hopefully enough has been learned from the mistakes of the past that whatever we are told today and

the deadlines that are in place to accomplish the goals that we want to accomplish will be met. It will take your watchdogging, as you have done, to make sure that happens. I know you know that you have to be ever vigilant when you are doing oversight, and I thank you for being that way.

I have said everything I can say at this point. I might have something to say after I heard other testimony, but I won't be able to come back.

Senator COLEMAN. Senator Grassley, first, again, I want to thank you. You certainly inspired me in the work that we are doing here from your efforts, and you have laid out the questions that I hope we get some answers to today, or at least begin a process.

My concern on this, you talked about taxpayers paying for development costs. I don't think that was the original intent when this system was contracted out. You indicate that we hear now, as I have reviewed the testimony and the reports, that it may be helpful, but if you are spending \$500 million on something that originally was a \$263 million program, it better be more than helpful. It should be delivering what you think it should deliver.

You have laid out the questions. What about premium-class travel? Does it deal with unused tickets? Does it stop fraudulent travel? Does it provide the lowest-available airfare? And then, ultimately, your last comment, is it most cost effective?

I am hopeful that we are engaged in a process now that will help us get responses to that and determine whether our taxpayer dollars are being used wisely. If they are not, then we have to do something about it.

Again, I thank you for your leadership in this area and I look forward to working with you. I say this in my opening statement. This is part of a process. This is not simply a hearing and we are done. We will have some responses, but we will continue to look at this issue and move forward on it. So again, I thank you for your leadership and then for your testimony today.

Senator GRASSLEY. And if need be, I have a couple of good staff people. If your staff needs any help, I would be glad to have them involved, but I know you have very good staff, too.

Senator COLEMAN. I look forward to working with you on this issue, Mr. Chairman. Thank you so much, Senator Grassley.

Senator GRASSLEY. Thank you.

Senator COLEMAN. Senator Coburn.

OPENING STATEMENT OF SENATOR COBURN

Senator COBURN. Senator, I appreciate you holding this hearing. The second week I was a U.S. Senator, I became involved in this. I won't be able to stay for the hearing and I don't have a formal opening statement other than to say I am highly concerned about procurement methods, transparency, and accountability in our government. Our Subcommittee has been holding hearings. We have had 14 thus far in terms of oversight, and we will probably have 10 more before the year is out on oversight.

I would just ask unanimous consent to submit five pages of questions for the witnesses today that I would like to submit and have answers back within 2 weeks.

Senator COLEMAN. Without objection, that will be done.

Senator COBURN. I thank the Chairman and I thank him for holding this hearing.

Senator COLEMAN. Thank you, Senator Coburn. I am surrounded by Chairman Grassley and Senator Coburn, who both have been dogged in their determination to protect taxpayer dollars and deal with fraud, waste, and abuse, and so I greatly appreciate your interest, your participation, and the leadership that you are providing with your Subcommittees. So I look forward to working with you and we will get those questions to the witnesses and make sure that we have answers. Thank you.

I am going to just finish with the rest of my opening statement and then we will call the first panel.

DTS was expected to be a boon to DOD travel needs by cutting costs and red tape for DOD's travelers. However, by 2001, the commercial off-the-shelf travel software that DOD had planned to use failed its operational tests, and it became clear that DOD would not be able to translate its concept into reality.

Rather than terminating and rebidding the project, however, DOD restructured the DTS contract to develop a web-based travel system. This restructuring increased the projected costs of DTS, as I noted before, from \$263 to \$492 million.

During this time, the DOD Inspector General began receiving complaints of DTS fraud and waste on its hotline. After numerous complaints, the IG initiated an audit of DTS. Of the nine complaints the Inspector General received, it was able to substantiate four of them. More importantly, the report concluded there was a substantial risk that DTS would not deliver a viable, integrated travel management system and initially recommended that funding for the development and deployment of DTS be suspended until a determination was made as to whether DTS was the most cost-effective solution to DOD travel needs.

In response to the Inspector General's report, the Controller tasked the Program Analysis and Evaluation Division (PA&E) with conducting a cost-benefit study and further agreed to abide by its findings. The study concluded that it could not verify that DTS provides the most cost-effective solution to DOD's travel needs because there could be alternative solutions that are less expensive. Despite these findings, DOD decided to push ahead with DTS on October 20, 2003.

While DOD claims it has fully considered the Inspector General's and PA&E's concerns as part of its top-level management decision to go forward with DTS, I have seen no studies or reports that clearly address and resolve those concerns. Instead, I continue to see reports that question DTS' effectiveness or hear allegations that the IG's and the Program Analysis and Evaluation Division's concerns have not been fully addressed.

For example, the PA&E's study raised the question about who owns the DTS, the contractor or the DOD. The ownership of DTS has both cost and competitive implications for DOD. Seven months after DOD's decision to move forward, the Department of Justice informed Judge George W. Miller of the U.S. Court of Federal Claims that DTS belonged to the contractor and not to DOD, and that concern was raised by my colleague, Senator Grassley. This

clearly is an issue that needs to be resolved. I expect to get some responsive answers from DOD on that issue.

Today, we will hear testimony from some of the individuals and organizations that help to administer DTS or who have raised concerns about DTS' costs and performance. They will share with us their concerns about DTS.

We will also hear from representatives of the GAO, the DOD Inspector General, and the PA&E, who will testify about reports or studies they wrote that have questioned the costs and benefits that DTS offers DOD.

Finally, we will hear from the Controller and Director of the Defense Finance and Accounting Service, who are the principal officials responsible for DTS.

Before hundreds of millions of additional taxpayer dollars are unnecessarily wasted, it is imperative that DOD adequately address the many questions that have been raised regarding the cost effectiveness of DTS. I expect DOD to provide answers to these questions during today's hearing. My colleague, Senator Coburn, and others also have that same expectation.

With that, we will call our first panel and welcome our first witnesses today. Actually, it is technically our second panel since Senator Grassley was a panel in and of himself.

I would like to welcome Thomas Schatz, the President of the Citizens Against Government Waste located here in Washington, DC, and Robert Langsfeld, Partner of the Corporate Solutions Group of Menlo Park, California. I appreciate your attendance, gentlemen, at today's hearing and look forward to your testimony and assessment of the Defense Travel System.

Before we begin, pursuant to Rule 6, all witnesses who testify before the Subcommittee are required to be sworn in. At this time, I would ask you to rise and raise your right hand.

Do you swear that the testimony you are about to give before the Subcommittee will be the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. SCHATZ. I do.

Mr. LANGSFELD. I do.

Senator COLEMAN. Thank you, gentlemen. We will have a time system here. A minute before you should be done, before the red light comes on, you will see the light change from green to yellow. If you desire, we will certainly have your full written testimony entered into the record, but we urge you to try to stay within the time limits. As I said, we have a vote and we will have to adjourn at a set time today.

Mr. Schatz, why don't you go first, followed by Mr. Langsfeld, and then after we have heard the testimony, we will turn to questions. Mr. Schatz, you may proceed.

**TESTIMONY OF THOMAS A. SCHATZ,¹ PRESIDENT, CITIZENS
AGAINST GOVERNMENT WASTE**

Mr. SCHATZ. Thank you very much, Mr. Chairman. I congratulate you and your staff and certainly Senator Coburn and his staff for helping to bring this to this level of a hearing.

We issued a report 1 year and 1 day ago,² September 28 of last year, on the Defense Travel System, so we very much appreciate the effort that has been made and the information that you have provided. You provided an excellent summary of what has occurred and why we are where we are today, so I want to take just a minute or two to talk about our organization, what we have done, and what we would like answers to, as well, because the answers do lie with the people that are in charge of the system, and that would be the Department of Defense, the Inspector General, PA&E, and others that are the ones that should be providing the information. We are certainly disappointed that we have not gotten, or you have not gotten a more prompt response to your questions. Perhaps that might have avoided the ongoing issues that surround DTS.

Citizens Against Government Waste was created 21 years ago following the Grace Commission report. Much of what the Grace Commission and, in turn, CAGW looked at is waste, mismanagement, and inefficiency, in particular in the Department of Defense and in procurement. We have been following these issues for many years and we know that you and your Subcommittee are quite interested, as well.

The original rationale for DTS actually was something the Grace Commission recommended, a more cost-effective way to manage travel at the Department of Defense. But on the way to this web-based travel system, there were several bumps in the road.

You have already described the original contract, which was supposed to provide an end-to-end web-based travel system. That means a system that could track authorization, produce tickets and vouchers, track expenses, and reimburse travelers. We know that parts of that are being done, but not all of that apparently is being done. And, of course, the effort to take the commercial off-the-shelf system and modify it did not work.

The other part that we find questionable from a taxpayer standpoint is the original intent to have Northrop Grumman be paid following full deployment of the system, meaning installation, but not necessarily usage, at 11,000 DOD facilities. Then they would be paid only if a transaction was completed. That cost was supposed to be \$263 million, and development was supposed to be paid for by the contractor.

Instead, following the restructuring, which the U.S. Court of Claims said violated the Competition in Contracting Act, everything was changed so that DOD paid Northrop for development. Some have suggested that DOD may end up paying the same amount, \$263 million, but there is a difference between development and a per-transaction reimbursement after development. In other words, there is no guarantee that Northrop ever would have been paid that full amount because that would have required full

¹The prepared statement of Mr. Schatz appears in the Appendix on page 41.

²See Exhibit No. 1, which appears in the Appendix on page 100.

usage, and we know from what you have said and from what we have heard and certainly other studies that usage is, first of all, not required or mandated, and second of all, many who are using it don't necessarily like using it.

That is one of the things that we would like an answer to, is why was this written in a way that didn't require full usage. Why would you spend hundreds of millions of dollars on a system and then not require the Department of Defense to utilize it?

We have certainly examined and heard of many other problems with software development at the Federal level. Senator Grassley mentioned the Virtual Casefile at the FBI. Eventually, they pulled the plug on that. That is at least a question to consider here, or certainly what we might do going forward.

The other question, one that you asked, is who owns it? The question may be why the GSA is paying the contractor and not paying DOD and what is going to go on once it is fully developed. There are also some questions which haven't been addressed about who was involved in the decisionmaking process, some individuals at DOD. We are not suggesting anything, but we hope that is part of your investigation, as to who was involved in the final decision and when that occurred.

Senator Coburn is considering an amendment to move this from the DTS over to the e-travel system at GSA, another question that should be examined by the Subcommittee.

The most recent GAO report, issued in March, and I know they are going to comment, said that the full cost would be \$4.3 billion, or \$4.39 billion, so there are lots of numbers being thrown around. We would like to know which is which. That report also said the National Guard is having major problems in terms of mobilization vouchers and authorizations, so that also should be further examined by the Subcommittee.

Mr. Chairman, the bottom line is whether taxpayers will ever know what they are getting for their money and whether or not we did waste or didn't waste hundreds of millions of dollars now and in the future.

Thank you. I will be happy to answer any questions.

Senator COLEMAN. Thank you very much, Mr. Schatz. Mr. Langsfeld, you may proceed.

TESTIMONY OF ROBERT LANGSFELD,¹ PARTNER, THE CORPORATE SOLUTIONS GROUP, MENLO PARK, CALIFORNIA

Mr. LANGSFELD. Good morning, Mr. Chairman. Thank you for having me here today. I am the founding partner of The Corporate Solutions Group. We are a consulting firm providing services to the government and corporate organizations. I also request that a full copy of the presentation be placed into the record, sir.

Senator COLEMAN. Without objection.

Mr. LANGSFELD. Thank you. I am here today because we were awarded a task order by GSA to perform an audit and study the Contract City Pair Program, the DTS program, and the three ETS programs. We were asked to determine, among other things, whether DTS actually displayed the best policy-compliant fares

¹The prepared statement of Mr. Langsfeld appears in the Appendix on page 49.

that are available at the time of the booking. The study was intended to provide an accurate, independent assessment of fare presentations for each of the tested systems.

First, our team was asked to perform an initial review of the inventory platform. That is, we were asked to make sure that all the Government's City Pairs are in the booking systems. We have prepared a slide that shows how the City Pairs make their way into the database, and as you can see from the slide, the GSA conducts procurement and then awards the City Pair contracts to the winning airlines. The rates are then sent to a processing group, the Airline Tariff Publishing Company, and then loaded into the respective global distribution systems, such as Sabre, Galileo, Worldspan, and Amadeus. Once the fares are in the GDS, the DTS and ETS web-based travel systems access that information, process it, and display it to the Federal traveler.

During our review of this inventory, we found that 7 to 8 percent of all these fares either were not loaded correctly or were not loaded at all into the GDS. Therefore, they were not available for DTS to capture and display and for the DTS traveler to select.

When this anomaly was disclosed to GSA, they responded that they considered this to be totally acceptable, at 8 percent. GSA also refused to provide our company with the source documentation to verify the fares and who was responsible for those issues. We were told to look at the websites, the GSA website to find the fares, and without that, we were not able to provide an opinion without source documentation.

The next review was a review of the domestic 25 City Pairs, and we found a variety of errors and omissions and issues. However, once these problems were reported to DTS and GSA, the project management personnel continued to change and reduce our review and the performance scope of our contract significantly. These changes to our original assignment had the effect of significantly reducing our ability to report variances on available airfares, commercially available airfares, and competitive airfares that might be lower than the City Pair Program.

What is worse, the GSA and DTS project management officials would not allow our auditors to access the systems to be tested, so therefore, all we could look at would be the displays of the systems, not how they functioned or why.

I direct your attention to the charts we have included in our report, and in this first chart over here, of the top 25 domestic City Pairs, the YCA code is used to designate unrestricted coach class fares, which are the CPP program, and the dash-CAs, as they call them, are used for capacity control for the City Pair Program.

Table 1 shows that the four government systems displayed between 35 and 90 percent of all applicable CPP fares in the 25 markets. Specifically in the case of DTS, only 61 of 187 fares, or 33 percent, were listed by DTS. Other systems showed between 35 and 90 percent of the fares displayed. DTS only displayed, therefore, one-third of the itineraries that were available to the Federal traveler, or put another way, two-thirds of the time, the applicable City Pair fares were not displayed, which is a major operational deficiency in our perspective.

Also, all available fares, including the rest of the CPP fares and lower-cost fares, are simply not being displayed on a consistent basis, i.e., that is, all available fares are not listed, all CPP fares are not listed, and the lowest-cost airfares are not listed.

We were very surprised to find that, when we presented, the DTS and GSA sought to downplay the issues and the results. We were asked to change some of our findings to give a better result. We refused to do that and they proceeded to terminate our contract on that review.

The overriding concern I have is that when DTS deficiencies were identified, the government chose to change, suppress, or modify the results in order to downplay the severity of the issues and to disclaim responsibility. You will undoubtedly hear government personnel try to make excuses for the findings, but it was their settings. They set the conditions for the audit and they determined how best to do it.

Our opinion is the government needs to have a continuing quality control audit in place for these programs and systems. It is painfully apparent that such reviews need to be on independent and objective areas outside of the GSA and DTS office. And in these times of budgetary concerns, the constraints on the performance of the system such as these are paramount. We hope that this Subcommittee and these hearings may result in the viable and reliable process for the use of the government, and in this case, the government traveler.

Thank you for allowing me to participate in this hearing. I am prepared to answer your questions.

Senator COLEMAN. Thank you very much, Mr. Langsfeld. I will mirror what you said about in times of budgetary concerns, and these are clearly times of budgetary concerns. I voted for \$62 billion in appropriations for funding Katrina relief, which is clearly the greatest natural disaster in the history of this country. We'll see how that money is spent and we need to track that very carefully.

But we're in the midst of a war. There are great challenges, deficits rising, and the economy impacted by disasters. So I think we have a special responsibility in these times to do what we're doing. I appreciate your work here.

I want to step back, first. Can you explain the City Pair, what that means?

Mr. LANGSFELD. Yes, sir. I'd be glad to.

City Pair is a program administered by the General Service Administration. That is to have contracts established between the airlines and the U.S. Government for going from point A to point B, such as National to Pittsburgh, Dulles to Atlanta, and so forth. Those would be considered City Pairs or one-way fares. There are about 4,000 of those negotiated on an ongoing basis annually, with the airlines by GSA. And therefore, the government traveler has access to those fares.

Senator COLEMAN. You're getting access to—you know how much it costs, you've got to get a set amount to a particular city and then you can either use that—

Mr. LANGSFELD. As a baseline.

Senator COLEMAN. As a baseline.

Mr. LANGSFELD. Yes, sir.

Senator COLEMAN. What I'm hearing from your testimony is that in at least 8 percent of the cases, the city pairs weren't even loaded into the program, so there's no baseline.

Mr. LANGSFELD. There's no baseline. That is correct, sir.

Senator COLEMAN. So there's no way to—

Mr. LANGSFELD. There's no way to get to it.

Senator COLEMAN. Your other testimony is that you're talking about all fares not displayed and not listed. Why? What's missing here?

Mr. LANGSFELD. There is something missing, sir, but we weren't permitted access to find out those answers. Our scope was limited to only taking an audit of those City Pair Programs, those CPP program rates, those 4,000 we just discussed, and to say were they displayed to the travelers through the various systems, in this case DTS, or not. If there were other lower fares they might not be displayed.

For example, to clarify and answer your question specifically, in the case of let's say Albuquerque to Los Angeles, we found a City Pair that is \$153 one way between Albuquerque and Los Angeles. That's the negotiated City Pair, as we discussed it.

The DTS system found prices anywhere between \$120 and \$300. And the GovTrip system pretty much similar, which is another Northrop system provided under GSA contract.

Under the E2 solutions provided by Carlson, they found an \$87 comparative rates and unrestricted walk-up fares.

So in essence, 50 percent less and it wasn't displayed.

Senator COLEMAN. The other thing I want to understand is you indicate 7 or 8 percent of all fares are not fully loaded in the City Pair Program, but then your Table 1¹ indicates that only one-third of available government fares are listed. Can you help me understand the difference between the one-third figure versus the 7 to 8 percent?

Mr. LANGSFELD. Yes, sir.

First of all, the 7 to 8 percent means that even out of the 100 percent, if you may, that they could possibly look at, they won't find, based on our sample, 7 to 8 percent of those regardless. So that means that the traveler, if they're going from Point A to Point B, will be paying commercial fare rather than negotiated fare that's established. That would reduce by definition even the amount of fares that these different systems can find. Their population is essentially 92 percent of whatever is out there.

The second part of your question, sir, is that of 187 on that chart, as you can note, out of the 187 possible City Pairs that were found between Point A and Point B, that only one-third of them were ever displayed by the DTS system and the other system somewhere between 35 percent and 90 percent of them were displayed.

So there is something other there that's editing that result that we weren't permitted to find.

¹ See Table 1 attached to prepared remarks of Robert Langsfeld, which appears in the Appendix on page 54 and 59.

Senator COLEMAN. I'm trying to get to a solution on that. What I'm hearing is that the reaction you're getting from the government folks was it didn't seem like there was a lot of concern.

Mr. LANGSFELD. That would be a correct statement.

Senator COLEMAN. Your testimony is very strong when you use words like change, suppress, down play. Those are very serious concerns. Do you have any reason to qualify that at all?

Mr. LANGSFELD. I have no reason to qualify that statement, sir.

Senator COLEMAN. DOD has very optimistic projected cost savings on this program. Can you respond to that issue? Can you give me some information? I don't have the numbers in front of me but I know they have some very optimistic cost savings. What I'm trying to figure out, as I listen to the testimony, is how do you get cost savings in a system in which you've got 33 percent of total fares displayed being used? How do you get there? What's the basis for that?

Mr. LANGSFELD. If I may be permitted, I'll answer that in two parts, sir. The first would be a reverse question for you, or a rhetorical question, of course. And that is how can you display 100 percent when you only have 33 percent in front of you? So you'll never be able to achieve those results regardless of any steps that you take, given the current condition of the system.

The second part of it is all of the assumptions that I've seen on the DTS system and the ETS systems are anywhere between an 80 and 95 percent adoption. Therefore, that's 85 to 90 percent of all the Federal travelers using that system.

As you provided in your opening statements, 4 or 5 percent are where they are today. To get from Point A to Point B, in the condition that the systems are in, I think is an unrealistic goal. And therefore, your return on investment and your analysis has to be adjusted and possibly significantly.

Senator COLEMAN. That leads into my question to Mr. Schatz. One of my concerns that I'm struggling with here, on the one hand it's clear that we're not having full utilization. Mr. Schatz, you talked about that.

But the next question is even if we have full utilization in a system that's fundamentally flawed, are we going to get the cost savings we're talking about? Mr. Schatz, you talked about the system being underutilized. Do you have any sense that if it was fully utilized that we'd be achieving the cost savings that have been projected?

Mr. SCHATZ. Certainly not based on what Mr. Langsfeld just said. There's a lot that remains to be done in order to get to where they originally intended to be. Of course, that intention meant that this system would have been completed about 4 years ago. So we're behind schedule, we don't have full utilization, there's no requirement for full utilization. And even if you had, apparently from the study, you don't even have all of the available information to get the best fare and the greatest amount of information.

The other point to recall is that this was supposed to be an end-to-end system. Authorizations and vouchers may be what they're doing now but it's supposed to do a lot more.

So you've got cost overruns, lack of information, lack of usage, all adding up to some number. As I said, GAO in March said it could

be \$4.39 billion. We've seen \$470 million, \$491 million, \$559 million. I'd like an answer. I know you'd like an answer as to what the cost is, how do we get greater usage if the system, in fact, is the right system and does perform everything it's supposed to?

And then we might be able to determine how much it's really going to cost or save, if anything.

Senator COLEMAN. When we say end-to-end system, it's lowest cost air fare, lodging facilities, some of the concerns that Senator Grassley raised, tracking unused tickets. There's more than just the lowest cost fare is involved in this; is this correct?

Mr. SCHATZ. That's correct. It would be something that you would have if you were a company trying to come up with a system that you, as an organization, could produce and track and require your employees to use.

In fact, it wouldn't be surprising if, and I'm sure it's true, the companies involved in this have their own systems that do that. Like many other efforts to get the government up to speed in software systems, they need to do more.

Senator COLEMAN. I would appreciate it if you could help me a little with the history here. The report, "Through the Looking Glass,"¹ that was one that was commissioned or developed by Citizens Against Government Waste?

Mr. SCHATZ. Right.

Senator COLEMAN. You can go through a little history of this thing. When it was first developed, was it intended to be an end-to-end system, that \$263 million figure?

Mr. SCHATZ. It's our understanding that is correct; yes.

Senator COLEMAN. At that time, was the question of ownership at issue?

Mr. SCHATZ. I'm not certain about that. The ownership issue came up in the court case, as you mentioned. The Department of Justice said it's owned by the contractor. We have heard differing views on that. We have not seen anything that confirms it one way or another.

Senator COLEMAN. I believe as I reflected on the court decision, in part it seemed to me that one of the reasons the judge didn't just pull the plug on this system was his belief that, in fact, it was owned by Northrop. And in doing so, the government would have had to start from scratch?

Did you have a chance to read the decision?

Mr. SCHATZ. Yes, that is our understanding. That was one of the reasons that even though he found that it violated the Competition in Contracting Act, he said it would cost another \$500 million to develop another system, which we would argue is not quite the case based on systems produced by other companies that would be available.

Senator COLEMAN. And yet development costs are now, as I understand it, the Federal Government is paying for the development costs of creating this end-to-end system. Is that a correct statement?

Let me raise the issue of cost to deploy. The judge obviously concluded that because the system was not owned by the government,

¹See Exhibit No. 1, which appears in the Appendix on page 100.

that there would be significant costs—my question was when the contract was first developed, where was the responsibility for development costs?

Mr. SCHATZ. Development costs were with the contractor, not with the government.

Senator COLEMAN. So the development costs were not intended initially to be government development costs?

Mr. SCHATZ. That's correct. That's why the taxpayers are ending up paying more than they probably would have, given the fact that we don't have full usage and it was supposed to be a transaction-based fee, not a development fee.

Senator COLEMAN. One of the things that you've done, which some people I know have contested, but you actually—your organization gave an estimate of costs per transaction, very significant costs. I believe it was about \$33,000.

We can debate that, but can you explain the process by which you come to that figure?

Mr. SCHATZ. It was based on the amount of money paid by the government and the usage by travelers. That number, I'm sure, has changed because there is more usage, authorizations, vouchers being processed. That number would have to be updated. We'd certainly like to see what the actual number is, and then you can say all right, we have spent \$200 million or whatever it might be. It's processed this many transactions. Therefore this is the cost per transaction to date. That will change in the future.

Senator COLEMAN. With greater utilization.

Mr. SCHATZ. Right. But again, full utilization is what they were looking for. I think to get from \$33,000 to zero in your savings is a long way to go.

Senator COLEMAN. The question, Mr. Langsfeld, about the ability to get the lowest cost, available cost out there, that has a significant impact on total cost; is that correct? So for instance, I believe that testing showed that flights booked by DTS could cost as much as \$1,200 more per ticket. Is this something that your group looked at?

Mr. SCHATZ. Yes. We've heard since then that this is still the case. Even in the last week or so we've received some information that indicated—

Senator COLEMAN. Again, speak very loud so folks in the back can hear. Can folks in the back hear? The microphone is not functioning.

Mr. CARPER. What did you say? [Laughter.]

Mr. SCHATZ. Yes. There are some indications that some of these tickets are being provided at a substantial cost over what other systems can find. That's something else we would certainly urge the Inspector General, DFAS and others to look into, so that we can see whether or not this is still the case. We have heard that it is. We would like independent verification of that from people that are in charge of monitoring the system.

Senator COLEMAN. Mr. Langsfeld, did your study touch at all on that? You've looked at some other systems and cost savings. Were these systems in place in other government agencies?

Mr. LANGSFELD. Your question being?

Senator COLEMAN. The question being the incidence of over-paying, of not paying the lowest available fare. How significant that is, and whether there are other systems that simply do a better job of correcting that or identifying that?

Mr. LANGSFELD. I think even some background would help. In our experience, we've worked with hundreds of private sector companies, some very large and some very small. But the bottom line is it's always a challenge to find the lowest fare. Just focusing on finding the City Pair Programs, as we talked about, is not effective. It's a very good baseline, but it's only that.

We found that carriers that have City Pair fares, let's say United Airlines, from Point A to Point B, they'll even have fares that are lower than the City Pair Program. But in the case of most of these systems, we didn't find that being displayed for whatever reason.

We also find that there are significant other comparable fares that government travelers could take, that are totally compliant with your terms and conditions, that would significantly save money to the U.S. taxpayer and to the U.S. Government.

Senator COLEMAN. Is the airline pricing system so complicated that we do not have the computer capacity available to actually identify at a touch of a button the lowest available fare? Is it that complicated?

Mr. LANGSFELD. It's certainly complex. On the average, about 100,000 to 150,000 changes to the system a day are made. So you have to have a computer system, if you may, to keep up with the computer systems. In this case, these systems just want to go against each other. They're only as good as their resource and their source data.

Senator COLEMAN. What I'm trying to understand is again, we are spending hundreds of millions of dollars here. Do we have the capacity? Was the money well spent? If we identify here's what we want to get, this is the end-to-end system, and among the end-to-end pieces of that system, one of them is going to be lowest available fare. Do we have the technical capacity? Is that there, in order to identify lowest available fare?

Mr. LANGSFELD. At this point in time, it has not been demonstrated to be available.

Senator COLEMAN. I'm not talking about in this system, but in any system?

Mr. LANGSFELD. Yes, it is available.

Senator COLEMAN. It would be available?

Mr. LANGSFELD. Yes, and you can get it.

Senator COLEMAN. Your point is we're not getting it in this system, but it's available?

Mr. LANGSFELD. Yes, sir.

Senator COLEMAN. Mr. Schatz, let me just talk to you about the cost of pulling the plug. I'm not saying that to speak out, but I think you have to put that on the table. When I was Mayor of St. Paul, we went through a change in our computer systems. And at a certain point in time I looked at literally millions that was spent and then had to make a decision as to whether to keep spending. I made a decision to pull the plug.

Some people, you're mayor, you've already spent over \$1 million. But as I looked at the ongoing costs and what we were getting, and

the problem is that we weren't getting what we contracted for. So I made the decision to cut our losses.

It appears to me that along the way there have been some discussions in some of these reports, and maybe you can refresh my memory, where a decision was made to say hey, at this point it may be best to pull the plug.

I'm going to ask you to kind of walk me through that, but then I want to look to the future. I believe this system is up for bid again next year. Is that correct?

Mr. SCHATZ. Yes, certain aspects of it. Yes, the operation and maintenance and other aspects of it, yes.

Senator COLEMAN. Can you give your best assessment now? Or first of all, along the way, would there have been a time to pull the plug, based on your review of this? And what would you recommend as we move forward?

Mr. SCHATZ. Mr. Chairman, there were two opportunities, we think, earlier on. July 2002, the Inspector General estimated the cost had grown from \$263.7 million to \$491.9 million, 87 percent higher than the original contract. The IG also said that DTS, and this is a quote, "remains a program at high risk of not being an effective solution in streamlining DOD travel management process."

That certainly would have an opportunity then, based on the IG's recommendations, to take a good hard look and possibly pull the plug and do something else.

In December 2002, the Program Analysis and Evaluation Office followed up on the IG's findings and recommended that DOD consider commercial e-travel systems that were now available but were not available at the time of the original contract awarded to Northrop.

So despite these two reports from their own internal offices, DOD—and I guess in this case, the Program Management Office for DTS—decided to move forward anyway.

As to whether it's cost-effective now to pull the plug, I honestly could not give you an answer to that. Perhaps your next witnesses can. Because now we're many years into this arrangement and we have certainly seen this occur with Virtual Case File and others, where it was just such a mess that they decided it was not worth the additional cost to complete it because they could either do something better or possibly something more effective.

Senator COLEMAN. Last question in follow-up, are there alternative off-the-shelf systems? Either to you, Mr. Schatz or Mr. Langsfeld. Are there private side off-the-shelf systems that would be more user friendly, more effective, more cost efficient?

Mr. SCHATZ. There certainly has been a discussion about having DOD use the GSA e-Travel systems. There's questions about the interfaces that have already been established. So that is, I think, something that the Subcommittee and its experts in DOD should take a good look at.

But certainly based on what we've seen, there are systems that can provide lower fares.

Mr. LANGSFELD. In response to your question, Mr. Chairman, I believe that there are alternative systems out there. I believe that the design of the DTS system and also the design of the other gov-

ernment systems, where one of their base points was to go off-the-shelf, Commercial off-the-shelf, COTS programs. They are available. They've been proven in the public marketplace. And the idiosyncrasies or the uniqueness of the government travel can readily be adapted to be responsive to the government needs.

So yes, there are ways to get to it. And I think there should be better ways to get and access that information.

Senator COLEMAN. Thank you, gentlemen. My Ranking Member is here. I know he's in a full Armed Services Committee meeting, where he's also the ranking member. Senator Levin.

OPENING STATEMENT OF SENATOR LEVIN

Senator LEVIN. Mr. Chairman, thank you and thanks to Senator Carper for allowing me to jump in here out of turn. I will be very brief because I have to return to the Armed Services Committee.

First, I want to commend you, Mr. Chairman, for digging into this issue with your usual determination and thoroughness. It is a very important issue. You are not only bringing to light the deficiencies in a particular system, but this Defense Travel System is, I am afraid, too typical of the Department of Defense's efforts to acquire major new business systems. It has been plagued by poor planning, schedule delays, increasing costs, and performance deficiencies. So you are not only going to hopefully address the problems in a particular system, but you are also through this effort of yours providing some real insight into the problems with the acquisition system overall inside of the Department of Defense.

I think my entire statement has been made part of the record. If it has not been, I would ask that it be made part of the record.

Senator COLEMAN. Without objection.

[The prepared statement of Senator Levin follows:]

PREPARED STATEMENT OF SENATOR LEVIN

Mr. Chairman, thank you for convening this important hearing and for the oversight that you are providing in a critical area of DOD operations. Every year, the Department of Defense spends roughly \$20 billion to develop new information systems and to operate and maintain existing information systems. Like so many other DOD programs, the Department's IT programs are troubled by cost overruns, schedule delays, and performance deficiencies.

The Defense Travel System (DTS) is no exception. When DTS was first conceived in the mid-1990's, the DOD travel system was a complete mess. Individual components of the Department entered their own arrangements with different travel companies, each of which had its own processes, systems and procedures. The travel process was paper intensive, with written travel orders required before the trip and written requests for reimbursement filed at the end of the trip. The travel process was separate from the voucher and payment process, which was itself separate from the financial accounting process. Management controls were lacking, and financial records were inaccurate and incomplete.

DTS was conceived as an easy way to address these problems by taking advantage of commercial-off-the-shelf (COTS) technology. Rather than developing its own unique travel system, the Department would pay a contractor to use a commercially-available system on a transaction-by-transaction basis. DOD was so confident in this approach that it originally envisioned that system would be up and running within 120 days of the effective date of the contract.

It was a good idea. Unfortunately, it ran up against reality. The Department of Defense has its own unique travel rules, and individual components of the Department have their own unique requirements and practices. Before DOD could use COTS technology, it would have to reengineer its travel practices—and the COTS technology itself would have to be modified—so that the two would match. Moreover, DOD wanted more than just a travel system. It wanted an “end-to-end” system that would be integrated with the voucher and payment process and with DOD fi-

nancial accounting and management systems. The requirement for an end-to-end system meant that DTS would have to interface with dozens of unique DOD accounting and management systems. While these are laudable objectives, consistent with congressional policy, these interfaces would also require extensive modifications to the COTS system.

As we have seen over and over again, once DOD starts to modify COTS technology, it is not really "off-the-shelf" at all. As a result, schedules start to drag out and costs start to escalate.

That is exactly what happened with DTS. More than 7 years after the initial DTS contract was awarded, the system still is not fully functional. The contract has been re-written to convert it from the original fixed-price, performance-based services contract to a development contract for the acquisition of a DOD-unique system. And, as is all too typical of DOD business system development programs, DTS appears to be deficient in meeting user requirements by providing the appropriate lowest cost fares for government travelers. DOD says that these problems can be fixed, but we do not know how much those fixes will cost or how effective they will be.

It is my hope that the Department will learn from its experience with DTS, and from this hearing, that it must do a better job of planning its IT acquisitions at the outset. The Clinger-Cohen Act of 1996 eliminated a cumbersome GSA review process, enabling DOD to purchase information technology (IT) products and services for itself, in a more efficient, streamlined manner. At the same time, the Clinger-Cohen Act required the Department to institute its own measures for business process re-engineering, analysis of alternatives, economic analysis, and performance measures for their systems. Congress also expected individual agencies to take the steps necessary to ensure that their IT systems would be secure and compatible with each other.

Unfortunately, as shown by the DTS acquisition and so many others, DOD has failed to live up to its planning obligations under the Clinger-Cohen Act. I do not know whether DOD should pursue DTS to completion at this point, or whether we would be better off scrapping DTS and starting over from the beginning. The Department itself must do the cost-benefit analysis needed to make that decision. I do know that we can and we must do a better job of developing and fielding IT systems in the future.

I look forward to the testimony of our witnesses.

Senator LEVIN. Again, I want to thank you and commend you and your staff and our staffs for working on this together.

Senator COLEMAN. Thank you, Senator Levin, and thank you for all the work you and your staff have done. I should compliment them. I think we have a good bipartisan relationship when it comes to dealing with fraud, abuse, and misuse of taxpayer dollars, so I thank you very much.

Senator Carper.

OPENING STATEMENT OF SENATOR CARPER

Senator CARPER. Mr. Chairman, I just learned during the course of the early part of the hearing is the audio was coming in and out for our guests here today. This room has been revamped and this whole platform up here has been redone. It was out of commission here for several months. The folks who actually have been probably been working on this Defense Travel System actually worked on the audio. [Laughter.]

I don't know what to make of that, but on a more serious note, I thank our witnesses for being here. I, too, have a statement and I would ask that it be made a part of the record, Mr. Chairman.

Senator COLEMAN. Without objection.

[The prepared statement of Senator Carper follows:]

PREPARED STATEMENT OF SENATOR CARPER

Thank you, Mr. Chairman, for holding this hearing.

Despite the heroic performance of the men and women in our armed forces on the battlefield over the years, DOD has had difficulty meeting basic standards for finan-

cial and organizational management. These failings have likely wasted billions of dollars that could have been used to improve the lives or better protect the health and safety of military personnel.

This isn't a new problem. GAO has been warning us about some of these problems for more than a decade now. We're now at the point where 14 of the 25 most severe management challenges in the Federal Government highlighted by GAO every 2 years in its high risk series are challenges currently facing DOD. Things have gotten so bad now that the department's efforts to address the management challenges that have been highlighted by GAO over the years are now on the high risk list themselves.

Senator Coburn and I intend to look into the financial side of some of DOD's management problems in the very near future through our leadership roles on the Financial Management Subcommittee, and I thank him for his commitment to work with me on those issues. I'm pleased then, that we'll be using the resources on this subcommittee to get to the bottom of what's going on with the Defense Travel System.

Like most of the murky areas at DOD, the Defense Travel System has been a much-studied question mark for some time now—about 10 years. There's a lot of conflicting information out there about how much the system will cost, how much it will save DOD, and how well it works. I think we'll even hear some conflicting testimony today on these points. But what's clear at least to me so far is that DOD hasn't been able to prove that the development of this system, as it's currently envisioned, is in the department's best interests.

Mr. Chairman, I don't think I have enough information right now to be able to answer the question posed in the title of this hearing—"boon or boondoggle?" I know DOD is busy working out some of the kinks in the Defense Travel System and may have already addressed some of the concerns that have been raised by GAO and others. We owe it to the taxpayers, however, to make sure that the money DOD is spending on this system will pay off in real savings at some point.

Thank you again for focusing on this issue.

Senator CARPER. I am sort of like you. In my old job, I was the governor of a State. I remember any number of technology projects and information projects we got into where we got to the point where we said, do we want to continue to put money down this deep, dark hole or to pull the plug or just do something else? I don't know if we are at that point for this one, but I am sure it is a question that needs to be asked.

I hope that we will have an opportunity to hear from, and maybe it is later today, from folks within DOD who have been part of overseeing the development of this system who can tell us whether it is worth all the time and the money and the trouble that it is causing or if there is a better option.

If you are in our shoes, a recovering mayor, recovering governor, what would you do?

Mr. SCHATZ. Well, you are doing the first step that you need to take, which is to have the hearing. There have been reports, there have been, as I said a minute ago, opportunities to do something about this earlier, in 2002. So again, the question is, here we are 3 years later. Have we spent so much that we have to continue? What is in the contract? What are the penalties? We have canceled contracts, paid penalties, and moved forward. That is not unprecedented.

But I think your next panel and the further investigations you have requested, also the questions that haven't been answered for the last year since Senator Coleman and Senator Coburn have been asking them, and I know you have been involved, as well, and we appreciate that very much.

It is at a crucial point, I guess is the bottom line. Within the next year, in a sense, that is kind of it. So something, if it is going to

be done, needs to be done soon, and sooner meaning in the next few months, not in the middle of next year.

Senator CARPER. All right. Mr. Langsfeld.

Mr. LANGSFELD. I agree with his comments. I think the process we are going through right now is important. The resolution of this, if you were in the commercial world, you would have been fired.

In essence, what you are doing, this is recoverable, certainly, and I think there are some good issues and there is good product out of this. I think it is recoverable there. At a point in time, I think you need to get beyond the appropriations voucher and authorization side and get into the travel savings. To save \$15 in transaction fee and to leave \$1,000 for the airline ticket on the table is illogical to me and I can't find a resolution for that. So I think you need to get to a system that is going to be able to do that.

I think DTS system, in my definition, is what I call closed architecture. Therefore, they have modified code in such a way that everything has to be changed when something—one thing is changed, they have to go in and change code. It is not a COTS drop-in system where you could just bring in a new module and put it in. I think those are some of the solutions that we found in the public sector to be very effective.

Senator CARPER. All right, good. Thank you very much for that.

I am sure the Department of Defense didn't set out to have this kind of problem. They wanted to solve a problem and didn't want to create one, and I am sure they didn't want to spend all of this money. I am also certain that DOD isn't the first large organization, either public or private, that has attempted to find some paperless, more streamlined method of handling employee travel. Let me just ask what mistakes—you have spoken to this to some extent, but let me ask again. What mistakes has DOD made here that other departments or private sector businesses have avoided?

Mr. SCHATZ. Do you want to answer that?

Mr. LANGSFELD. I will be glad to. I think, first of all, I mentioned the closed system, closed architecture. In this changing era, as Mr. Coburn has—Coleman has referenced—

Senator CARPER. Senator Coburn. A lot of people call him Coburn.

Mr. LANGSFELD. And I just got caught doing it myself. I apologize.

Senator CARPER. When they start calling me Coburn, we will really worry.

Mr. LANGSFELD. I think I will go back to "sir." [Laughter.]

The reference of what has been expended and where you have gotten to at this point in time, I think on the appropriations-authorization side, the vouchering system in itself has been a good tool and I think there are some strong savings in there. What we have found in the private sector, for example, is—let us say for that City Pair Program that we talked about with 78 percent variance, literally a travel manager of a, probably what I would consider the second-largest private employer in the world, at 1 percent, I would have called the person in on the carpet and disciplined them. At 2 percent, they would have been released.

I think you need to go in and have some good oversight and what you need to do and what we have done in the private sector successfully is gone out and dropped in a new module when one module doesn't work. In this case, it is the booking system. There are commercially available products that can be adapted and integrated, and I think at a much lower cost than where some of your projections could be to correct the existing system.

Mr. SCHATZ. Unfortunately, Senator, these problems have existed for some time and continue to exist. There were many Acts in the 1990's that were intended to streamline the procurement system and improve it. In this case, because of the way that the contract was changed, and it was called a cardinal change by the court, meaning that it did violate the Competition in Contracting Act, this is a little bit more than just a kind of questionable software system. There are issues with how this all occurred that really underlie the entire procurement system.

So you have obviously a question, what do you do about this, and the other question is, how do you prevent that from occurring again, where we go from a system where the contractor was supposed to develop it at its cost and get paid per transaction to where they are getting paid for development and may end up having been paid more than they would have gotten based on the transactions. So that is something else to keep a very close eye on.

In terms of the expertise of others as to the better systems, at least obviously Mr. Langsfeld feels that there is something else out there, and from what we have seen, there are systems that work better. As to whether you could just drop it into DOD, it is something for the DOD people to answer.

Senator CARPER. One more question. Is DOD travel, is it more complicated or expensive given the scope of their operations and flying around the country or around the world? Is it more complicated or expensive maybe through regulations that they have or mandates that maybe the Congress has put in place, or is it that the Department just hasn't done as good a job with this travel system that they could have?

Mr. LANGSFELD. I think it is more the latter than the former. There are complexities in U.S. Government travel that are unique—the Fly America Act, the City Pair Program to try to do it as efficiently as possible, other factors, other accounting issues that are in concern, that you have to appropriate and you have to escrow your monies for travel, and the vouchering system has unique FAR rules and DOD rules that are there. But I would say at the end of the day, travel is travel and finding the lowest rate and finding the lowest hotel and finding the lowest car rental is pretty much a very direct issue. It sits out there. All you are doing is looking at the inventory and selecting it.

I think that is a very basic step to do, and the only thing you have to do in the government arena and the government sector is you have to apply a few more rules than you might have to the public sector. Other than that, I would facetiously say that probably half your travelers are looking at Orbitz when they call your travel agent at this current time. I do. I mean, these people know what is out there. They look at what is available. I think your travelers are savvy enough to be able to figure that out pretty easily.

Senator CARPER. Thank you.

Mr. SCHATZ. Senator Carper, I did mention earlier that DOD is essentially at fault for all of this, for changing the nature of the contract, for not requiring the lowest fare, and in general for having so many incompatible financial systems, something that this Subcommittee and the full Committee has looked at for many years. That would help resolve a lot of these issues, again a broader one, but one that really gets to the basis for a lot of these problems that occur when software systems are introduced into the Federal Government.

Senator CARPER. Thanks. Chairman Coleman, back to you, sir.

Senator COLEMAN. Thank you very much, Senator Carper.

Just two quick observations. One is a comment you made, Mr. Langsfeld, that I think is pretty important here. This system does save money on transaction costs, \$15, right, \$5 web-based, \$15 traditional.

Mr. LANGSFELD. Right.

Senator COLEMAN. So it does save money on that, but I think your comment is important, that we are up front with saving the money on a transaction, but if you are going to be spending \$1,000 more on a ticket if you don't have this end-user system, then something is wrong. Then we are not getting bang for the buck.

The other comment about the 78 percent being acceptable, I get very frustrated. We make a joke about it is not bad for government work, but we really should expect the best for government work.

Mr. LANGSFELD. And you can achieve the best, sir.

Senator CARPER. It is funny you say that, Mr. Chairman, if I could. In our Administration, maybe in yours, as well, back in St. Paul, whenever people would say, "That is good enough for government work," we would fire them, and we would hire replacement people whose motto was, "If it isn't perfect, make it better."

Senator COLEMAN. And lastly, I just want to raise one thing that you made a comment on, and you didn't pursue it, but there was a concern raised at one point, without casting aspersions, but I just want to raise the issue about folks who worked for the Department of Defense, then went to work for the contractor, that kind of revolving door. That was a concern in this contract, is that fair to state?

Mr. SCHATZ. Yes. There is a concern. There is—again, the questions, I think, have been asked but not answered. I don't have the answers, but we are certainly happy to ask the question. We did see that in other cases. We are not saying anything like that is occurring here, but we don't know, I guess is the bottom line. Certainly, the IG, at the very least, should be looking into that, and hopefully they will be conducting another investigation in regard to this contract.

Senator COLEMAN. I just think this is the issue of individuals who are senior places in the Department of Defense and then go work for the contractor that gets the contract or modifications to the contract that are not very transparent. Actually, I think, there is an extra responsibility where you have that kind of revolving door to be acting in a way that doesn't even raise those issues. I think it undermines public confidence in the systems, and certainly those questions will be looked at and will have to be responded to.

Gentlemen, I thank you. Your testimony has been very helpful and I am very appreciative. Thank you. This panel is excused.

The third panel, what we are going to do is simply going to swear in the panel members, maybe have testimony from one person, and we are going to adjourn at 11:15. We are supposed to be in our seats by 11:20 for a very important, historic vote at—

Senator CARPER. What vote is that?

Senator COLEMAN. I will tell you how to vote on the way out, Senator. [Laughter.]

Senator CARPER. You already have.

Senator COLEMAN. I would now like to welcome our final panel of witnesses for today's hearing: Thomas F. Gimble, the Acting Inspector General at the Department of Defense; Dr. Scott Comes, the Director of DOD's Strategic and Program Analysis and Evaluation Division; McCoy Williams, the Director of the Government Accountability Office's Financial Management and Assurance Team; and finally, Zack Gaddy, the Director of DOD's Finance and Accounting Services. Gentlemen, I appreciate your appearance today and your testimony and your perspective on the Defense Travel System.

I do have a letter from David Chu, the Under Secretary of Defense for Personnel and Readiness, and I will read the letter here, but do want to note that there has been certainly an increased level of response from the Department of Defense from the time that we put this hearing together, and I do appreciate that.¹

Letter read by Senator Coleman follows:

Dear Mr. Chairman, I want to thank you and members of the Subcommittee for your interest in the Defense Travel System. My office will soon assume a new and significant role for this system as part of our continued effort to strengthen management and oversight in a phased plan.

As we assume functional oversight of the entire program, our first order of business is to assess the DTS program viability. Specifically, we will assess whether DTS is delivering increased efficiencies, improved services, and achieving cost savings. In doing so, we will study carefully the several reports and evaluations of the system before we take any action, including reviews of the Committees of Congress before we proceed.

The Department clearly understands that we have many challenges ahead in making our travel program more efficient and cost effective. Indeed, the Defense Travel System represents a whole new way of doing business for government and we must ensure that promises and goals envisioned are achievable. We will take the necessary steps to resolve problems.

I look forward to continuing to work with you and your Committee on this important program and will provide you with the conclusions of my analysis.

Sincerely,

David S. C. Chu,

Under Secretary of Defense for Personnel and Readiness.

So I am pleased that the Department of Defense has chosen to cooperate with the Subcommittee, work with us in resolving these concerns. Clearly, the Subcommittee, though, will continue its oversight to ensure that DOD's actions match its promises.

Gentlemen, pursuant to Rule 6, all witnesses who testify before the Subcommittee are required to be sworn in. Will you please stand and raise your right hand.

¹See Exhibit No. 8, which appears in the Appendix on page 375.

Do you swear the testimony you are about to give before this Subcommittee is the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. GIMBLE. I do.

Mr. COMES. I do.

Mr. WILLIAMS. I do.

Mr. GADDY. I do.

Senator COLEMAN. Thank you very much. I think you are aware of the timing system. Again, we will begin with the testimony, but we will break at 11:15. We will start with Mr. Gimble and then proceed across.

Mr. Gimble, why don't you begin first.

**TESTIMONY OF THOMAS F. GIMBLE,¹ ACTING INSPECTOR
GENERAL, U.S. DEPARTMENT OF DEFENSE**

Mr. GIMBLE. Mr. Chairman and Members of the Permanent Subcommittee on Investigations, thank you for the opportunity to appear before the Subcommittee today to address the questions regarding our July 2002 audit report, "Allegations to the Defense Hotline on the Management of the Defense Travel System."

We conducted the audit in response to allegations made to the Defense Hotline. In summary, we concluded that DOD should have managed the Defense Travel System Program as a major automated information system program and ensured that it met the requirements of the Clinger-Cohen Act, DOD acquisition policies, and security policies.

Before I begin discussing the Defense Travel System, I would like to provide information on other acquisition efforts where we identified systemic problems pertaining to the information of technology acquisition during the period of October 1996 to March 2000. Those systemic problems included: Inadequate documentation and validation of system requirements, inaccurate life-cycle cost analysis or incomplete cost data, incomplete analysis of alternatives to assure that the programs were the most cost-effective solutions, improper categorization of systems for oversight purposes, and incomplete or nonexistent acquisition program baselines to record cost, schedule, and performance goals. Many of these issues were present in the Defense Travel System acquisition.

Additionally, we believe that the Defense Travel System acquisition also faced significant challenges in using commercial off-the-shelf software that required substantial modifications. We reported similar challenges on the Standard Procurement System and the Defense Integrated Military Human Resources System.

The Defense Travel System was envisioned as a general support system designed to make business travel quicker, easier, and more efficient by providing automated commercial and government travel support services to the DOD travelers. By early 1999, as indicated in our audit report, it became evident that the commercial off-the-shelf software required major development and modification in order to meet the DOD requirements. In February 2002, the Program Management Office requested approximately \$377 million to manage and develop the program for fiscal year 2002 through 2007,

¹The prepared statement of Mr. Gimble appears in the Appendix on page 60.

of which \$186.5 million was for research, development, test, and evaluation.

As stated in the 2002 audit report, the Defense Travel System was at high risk for not being an effective solution to streamlining the DOD travel management process. Further, the Defense Travel System experienced significant testing and deployment problems which were compounded by the need for significant but unplanned developmental efforts.

The Program Management Office terminated the November 2000 operational assessment because 72 discrepancies and substantial deployment problems were identified. In October 2001, the Joint Interoperability Test Command reported in the second operational assessment that it did not consider the Defense Travel System to be an operationally effective system for all DOD components. In FY 2002, DOD revised its deployment plan and reduced the number of deployment sites.

The Clinger-Cohen Act of 1996 and the DOD acquisition policy provide an effective framework for the management of information technology investments. Information on cost, schedule, and performance required by the DOD acquisition policy would also be needed by the Chief Information Officer in performing the responsibilities under the 1996 Act. However, DOD had not viewed the Defense Travel System as subject to DOD acquisition policy for a program because its capabilities were based on commercial off-the-shelf software, and therefore cost, schedule, and performance information had not been obtained.

In June 1997, the DOD CIO designated the Defense Travel System as a special interest initiative. DOD did not consider special interest initiatives subject to DOD acquisition policy.

In January 2001, the Under Secretary of Defense for Acquisition, Technology, and Logistics and the DOD Comptroller recommended a reassessment of the system because of the deficiencies identified during acceptance tests. They required the Army to specify the actions needed on the contract based on the results of a functional and technical assessment of the system. In April 2001, the Army Communications–Electronics Command became responsible for the contract, to include contract restructuring. In July 2001, the Under Secretary of Defense for Acquisition, Technology, and Logistics and the DOD Comptroller approved proceeding with the Defense Travel System and identified that they would retain oversight responsibility of the program until the contract actions were completed.

We had recommended the designation of the Defense Travel System as a major automated information system program and also that the DOD Comptroller complete the Program Analysis and Evaluation study by October 1, 2002. The DOD Comptroller had tasked the Director of Program Analysis and Evaluation to undertake a cost effectiveness study of the system that would be used to determine whether to continue or terminate the system. Additionally, we had recommended, among other things, that the Program Management Office comply with the Clinger–Cohen Act. We had also asked that the Under Secretary for Acquisition, Technology, and Logistics and the DOD Comptroller and the DOD Chief Information Officer (CIO) review the progress made by the Program Management Office in developing appropriate acquisition informa-

tion and determine whether the system should continue or be terminated.

In response to our audit in May 2002, the CIO designated the Defense Travel System as a major automated information system subject to DOD acquisition policy with himself as the milestone decision authority. In response to our recommendation, the results of the Program Analysis and Evaluation study were briefed to the DOD Comptroller in December 2002.

Senator COLEMAN. I am going to ask you, Mr. Gimble, if you can just summarize—

Mr. GIMBLE. In December 2003, the CIO issued a Defense Travel System Acquisition Memorandum Decision moving the system forward. That concludes my statement.

Senator COLEMAN. We will have your full statement entered into the record.

Gentlemen, we are going to adjourn the hearing right now. We will reconvene when we get back, at sometime between 11:45 and 12 o'clock. You are sworn in and we will just continue when we get back.

At this point, this hearing is recessed.

[Recess.]

Senator COLEMAN. The hearing is called to order.

Dr. Comes, please proceed.

TESTIMONY OF SCOTT A. COMES, DIRECTOR, STRATEGIC AND INFORMATION PROGRAMS DIVISION, PROGRAM ANALYSIS AND EVALUATION, U.S. DEPARTMENT OF DEFENSE

Mr. COMES. Good morning, Chairman Coleman. My name is Dr. Scott Comes. I am the Director for C4 and Information Programs in the Office of the Secretary of Defense, Program Analysis and Evaluation.

The Office of Program Analysis and Evaluation conducts independent analysis for and provides independent pre-decisional advice to the Secretary and Deputy Secretary of Defense. In this role, one of PA&E's principal responsibilities is to ensure that the cost effectiveness and capabilities of DOD programs are presented accurately and completely. My office has primary responsibility in PA&E for conducting such analyses in support of information technology programs, such as the Defense Travel System.

In July 2002, PA&E was asked by the USD Comptroller to conduct a cost effectiveness review of the Defense Travel System. We conducted that analysis and documented our results in a report entitled, "DTS Cost Effectiveness Review" in December 2002. I am here today to answer your questions regarding that report. Thank you.

Senator COLEMAN. Thank you, Dr. Comes. Mr. Williams.

**TESTIMONY OF McCOY WILLIAMS,¹ DIRECTOR, FINANCIAL
MANAGEMENT AND ASSURANCE, U.S. GOVERNMENT AC-
COUNTABILITY OFFICE**

Mr. WILLIAMS. Thank you, Mr. Chairman. Thank you for the opportunity to discuss our preliminary audit results related to DOD's efforts to develop and implement a standard end-to-end travel system which DOD has been working on for the last 10 years. This Subcommittee has been at the forefront in addressing issues related to DOD's travel management practices, with the hearing today being another example of its oversight efforts.

Our testimony is based on the preliminary results of our audit and focuses on the following three questions: Has DOD effectively tested key functionality in DTS related to flight and air fare information? Will DTS correct the problems related to DOD travel previously identified by GAO and others? What challenges remain in ensuring that DTS achieves its goal as DOD's standard travel system?

In addition, our statement for the record provides a description of DOD property rights in DTS, as you requested.

Subsequent to this testimony, we plan to issue a report that will include recommendations to the Secretary of Defense aimed at improving the Department's implementation of DTS.

Mr. Chairman, DTS' development and implementation have been problematic, especially in the area of testing key functionality to ensure that the system will perform as intended. Consequently, critical flaws have been identified after deployment, resulting in significant schedule delays. Our recent analysis of selected requirements disclosed that system testing was ineffective in ensuring that promised capability has been delivered as intended.

For example, we found that DOD did not have reasonable assurance that DTS properly displayed flight and airfare information. This problem was not detected prior to deployment since DOD failed to properly test system interfaces. DTS officials have indicated that this problem was fixed in the most recent system upgrade. We are in the process of verifying the effectiveness of these corrective actions.

DTS has corrected some of the previously reported travel problems, but others remain. Specifically, DTS has resolved the problem related to duplicate payment for airline tickets purchased with the centrally billed accounts. However, problems remain related to improper premium class travel, unused tickets that are not refunded, and accuracy of travelers' claims. These remaining problems cannot be resolved solely within DTS and will take department-wide action to address.

Mr. Chairman, we have identified two key challenges facing DTS in becoming DOD's standard travel system: One, developing needed interfaces; and two, underutilization of DTS at sites where it has been deployed.

While DTS has developed 32 interfaces with various DOD business systems, it will have to develop interfaces with at least 17 additional systems and this is not a trivial task.

¹The prepared statement of Mr. Williams appears in the Appendix on page 65.

Furthermore, the continued use of existing legacy travel systems results in underutilization of DTS and affects the savings that DTS was planned to achieve. Components incur additional costs by operating both DTS and legacy systems which have the same functionality, and by paying higher processing fees for manual travel vouchers as opposed to processing the travel vouchers electronically through DTS.

Mr. Chairman, overhauling DOD's financial management and business operations, one of the largest and most complex organizations in the world, represents a daunting challenge. DTS, intended to be the Department's end-to-end travel system, is a case study of some of the obstacles that must be overcome by DOD's array of transformation efforts. Successful implementation of standard business systems such as DTS will be the key to achieving billions of dollars of annual savings through DOD transformation. Eliminating stovepiped legacy systems and using cheaper electronic processing are critical to realizing the anticipated savings.

Again, I commend the Subcommittee for holding this hearing as a catalyst for improving the Department's travel management practices.

Mr. Chairman, this concludes my statement. I will be pleased to respond to any questions you may have.

Senator COLEMAN. Thank you very much, Mr. Williams.

Mr. Gaddy, you may proceed.

TESTIMONY OF ZACK E. GADDY,¹ DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE, U.S. DEPARTMENT OF DEFENSE

Mr. GADDY. Mr. Chairman, distinguished Members of the Subcommittee, it is a pleasure to be here to discuss the Defense Travel System. I am Zack Gaddy, Director of the Defense Finance and Accounting Service. I am providing detailed information on DTS and the scope of the Department's travel operations in a statement for the record. What I want to do now is give you an overview of the current status of DTS and how we got to where we are today.

The Department of Defense launched DTS in 1995. The goal was to streamline and improve how the Department managed travel of DOD personnel and to replace dozens of independent and inefficient existing travel systems. Initial progress was slower than expected, and the goal of integrated incompatible systems turned out to be more complex than originally envisioned. After several reviews and reports, the time frame for full usage of DTS by everyone in the Department, originally scheduled to be completed in fiscal year 2003, was adjusted to a more realistic time frame of FY 2009.

In recent years, the Department has made important changes to better manage DTS and achieve the ambitious goals for improving travel administration. As a result, today, we believe that DTS is proving to be a cost-effective solution to our travel needs. DTS is enabling us to make our DTS-related processes faster, less costly, and better for DOD personnel. It is strengthening accountability and internal controls, making our data management more accurate

¹The prepared statement of Mr. Gaddy appears in the Appendix on page 93.

and less costly, reducing the likelihood of fraud and waste, and achieving other benefits.

In fiscal year 2006, we expect that DTS will save the Department over \$35 million. Once fully deployed, DTS will have replaced 31 primary travel systems and eliminated travel processing in another 12 systems where travel is a secondary function of the system.

The management of DTS has been criticized in several reviews and reports over the past few years. In May 2002, the Department designated DTS as a Major Automated Information System to get the program on track. This meant that DTS' progress and problems would be subjected to greater scrutiny by the Department's senior leaders. This designation resulted in a comprehensive review of the scope of the program and a thorough analysis as part of the Department's acquisition process and its program budget review. Under rigorous scrutiny, the DTS program has met the cost, performance, and schedule goals set for it under its approved program baseline. Still, we continue to assess how to strengthen the program and hasten progress.

To that end, later this fall, we look forward to hearing from the Government Accountability Office, which is expected to complete its DTS program review, as a source of additional ideas for improvements. We know that we need to continue to monitor the DTS program carefully and to make adjustments. Still, we are beginning to see the benefits of the new system. For example, DTS speeds up the travel process and facilitates better customer service, maintains accountability throughout the travel process, meets our requirements for safeguarding information, and allows DOD organizations to monitor their travel budgets more precisely.

Despite the progress to date, we understand that DTS does not currently accommodate all DOD travel requirements. For example, DTS does not process all types of travel for permanent change of station, group, or mobilization travel. We expect these requirements to be addressed by the end of fiscal year 2006.

Further, while DTS enhances visibility and auditability for travel, it does not eliminate travelers' or approving officials' erroneous use or approval of premium travel.

We also recognize that the travel industry and emerging technologies are changing how travel should be administered. At the conclusion of this contract, we plan to competitively award a follow-on contract that will address these emerging opportunities.

In closing, I would emphasize that the Department of Defense has acted to correct the previous issues with DTS and is providing proper oversight to make the best use of taxpayer resources to improve our travel process. We welcome input from the GAO and this Subcommittee to help us fulfill our commitment to provide a world class travel system for DOD travelers. We appreciate your interest in DTS and look forward to working with you in the future. Thank you.

Senator COLEMAN. Thank you very much, Mr. Gaddy.

Mr. Williams, I think it was in your testimony, you reflected on the DOD system being one of the largest and most complex in the world and we understand that.

Mr. WILLIAMS. Yes, sir.

Senator COLEMAN. But even with that understanding, as you look at the history of this and where it started and even now we are talking looking at originally 2003 for a goal of integrating systems and now it is a goal of 2009, that is a long time. The cost started at \$263 million to \$500 million. Those are the things that have obviously raised the level of concern of this Subcommittee.

One of the questions that has come up, and I think, Mr. Williams, you indicated an answer to it, but I would like it very clear for the record, who owns this system? Who owns the DTS system? In the court decision, it appeared that Northrop owned it, and in fact, the judge specifically raised concerns saying one of the reasons we are not going to stop it now is because we would walk away with nothing. Was the judge mistaken on that assessment, or is it different today than it was then?

Mr. GADDY. I would like to try to answer your question, Mr. Chairman. DTS is owned by DOD. However, when I say that, there are aspects of the program where there is software code developed by DOD that we own outright. All the interfaces to the accounting and finance systems within the Department, we own all of those interfaces and all of that software.

The commercially developed software that Northrop Grumman developed, we have an unlimited license to use that software. We don't physically own the software, but we own unlimited rights to use that software and we can delegate those rights to any other user as a follow-on contract.

Senator COLEMAN. But, hypothetically, if the contract were to be terminated with Northrop, what would DOD be left with, because that was the concern of the judge, that we can't start from scratch here. Again, it goes back to the nature of our ownership interest on things that have been developed with taxpayer dollars. What do we own if it were to be terminated? Can you divide between what Northrop would have and what we would have?

Mr. GADDY. Mr. Chairman, as I said earlier, I believe the correct answer is, we would be able to take the software that has been developed by Northrop and turn it over to a subsequent contractor to use.

Senator COLEMAN. Thank you. In Mr. Langsfeld's testimony, he said the system is not cost effective and does not use the best available software. Does anybody want to respond to that, because my concern is even if it is deployed, how are you going to realize full cost savings, and can this fundamental problem be fixed? First, do you see this as a fundamental problem? Do you agree with the testimony? And then, second, if so, can it be fixed?

Mr. GADDY. I am unable to fully address what Mr. Langsfeld was referring to when he said it was not cost effective. I do know from his study that he determined the software, DTS, did not display all City Pair Contract flights that were available. We took the information he supplied to us. We actually used that information and my internal review organization independently looked at the information to determine whether there was a problem with how we had configured or established the settings on the displays.

We, in fact, went and found we have a 4-hour display of 12 flights, a limitation in the system at the time Mr. Langsfeld did his study, compared to other displays which use the 12-hour window

and did not have the 12-flight display limitation. If you widen the aperture and look at it in the same 12-hour window, we changed that, we believe we find at least 92 percent of the flights that are in the City Pair Contract.

We have since, based on information, revised our program to display a 12-hour window and to display a 25-flight limitation as opposed to a 12-flight limitation, and in November, we will start a new change or a new setting that will display City Pair flights first. So that way, you always know you get all available City Pair flights before you look at other available fares.

Senator COLEMAN. We don't have the chart here, but in one of his charts, Table 1, he had top 25 domestic City Pairs and he had total displayed, for the DTS, he had 33 percent whereas for FedTraveler or Government Trip, E2 Solutions, has higher figures. Is your testimony that you have made corrections there that would change these conclusions?

Mr. GADDY. Yes, sir, Mr. Chairman. We have gone back and looked at what they were reviewing. The flights are available in the system, they just were not displayed, and that is what he was asked to look at. We have since opened the time frame to 12 hours versus 4 hours and the limits on flights from 12 flights to 25 flights so that we can display all available flights.

Senator COLEMAN. He also indicated that he was told that DTS only displayed one-third of the available fares, and that was the 8 percent figure, and then his comment was that DOD told him that was completely acceptable. Do you agree or disagree with that?

Mr. GADDY. I cannot agree that is acceptable, not to display all the flights. The 8 percent limitation I believe he was referring to are not all flights available, all City Pair flights are in the Global Distribution System. Up to 8 percent, I believe, of City Pair flights are not currently available in the GDS or Global Distribution System. Therefore, they would not be accessible by any software looking for them.

Within the context of what was available, the 92 percent that are available because of our settings, and I believe that was buried in a footnote in his actual table in the report, he said the settings themselves would determine what would be displayed, and based on those settings, we looked at it and said, yes, you are right. A 4-hour window does block displaying all available flights, and that is why we went in and changed the setting to 12 hours.

Senator COLEMAN. To a 12-hour window. When you said 8 percent are not in the system, is that in any system? Is there any system that is capable, or is it just the DTS system?

Mr. GADDY. As I understood his comments, the 8 percent were flights not in the Global Distribution System, which is what any travel system would go to to find available flights. It is not DTS per se or ETS. It is not in the Global Distribution System that the systems are querying to find available flights.

Senator COLEMAN. One of the questions that has come up here is utilization of the system. The testimony, and Mr. Williams mentioned it, about continued use of legacy travel systems, higher processing fees, etc.

Mr. WILLIAMS. That is correct.

Senator COLEMAN. If we know that there are higher processing fees with continued use of legacy systems, can you help me understand the under utilization? Why doesn't the Secretary of Defense simply mandate that we start using DTS?

Mr. WILLIAMS. Mr. Chairman, as currently structured, each of the various components within DOD have funding authority. Until a decision is made at the top level of the organization that DTS will be used once it is implemented, the different components will continue to use those legacy systems. Once DTS is deployed and it is operational, then it must be used and the legacy systems must be cut off, then the utilization rate will go up.

But there needs to be a decision made at the top, across the organization, that this is going to be the policy.

Senator COLEMAN. And my concern is we don't have that decision and I am trying to understand the reason for that decision. If on the one hand we talk about the system being effective and cost effective, on the other hand we hear there are continued problems in terms of getting the end-to-end system that we like, is the reason the decision hasn't been made because there isn't a unanimity of agreement that the system is effective and that it is meeting needs?

Mr. GADDY. Actually, Mr. Chairman, I would like to comment further on that. There was a directive signed by the Deputy Secretary of Defense last November directing usage of DTS once deployed to the user sites. You need to understand that when we talk about the time frame for deploying DTS—I will use an example. Hill Air Force base in Utah has 16,000 employees. We have recently deployed DTS to that site. It will take probably a year to fully deploy across all 16,000 users. So one of the reasons you will see other systems still in use is it hasn't been fully deployed across all the users at a particular location.

The directive that was signed last November, however, said DTS is the official system for this Department. Prior to that time, various organizations, as Mr. Williams indicated, were making investments in alternative systems. The Reserve Travel System in the Air Force comes to mind as an example. There was a decision. DTS is the official DOD system.

However, as you well know, within the Department, you get a directive on top and then the execution of that directive sometimes takes a while. One of the factors in it is the deployment of the system itself. It is not fully deployed yet. Another factor is even where it has been deployed to particular sites, it is not fully at use in those sites quite yet. And the third factor is what I described a little bit earlier, and that is all types of travel are not currently accommodated in DTS, so they will need to use legacy systems until other types of travel are folded into the DTS capability.

At that time, I do believe Dr. Chu, in my conversations with him and others, we are pushing very hard that old legacy systems do, in fact, need to be shut down and a decision has to be made, for example, 60 days post-deployment, full usage has been acknowledged. At some point, you have to terminate the old systems, and one of the best ways to do that is just stop funding them.

Senator COLEMAN. Let me then go to the folks on the audit inspection side to see if their perspectives, having looked at this, are as optimistic as Mr. Gaddy's.

Mr. Gimble, if I can just kind of step back, you originally started your evaluation based on hotline complaints, which I found—is that something that is usual?

Mr. GIMBLE. It is fairly usual. We do get a lot of complaints to the DOD IG hotline and it is typical, you do get them on systems of various kinds, IT systems, weapons systems.

One thing I would just preface, most of our work on DTS is in the 2002 time frame and we just recently started some new work on that system. But for the 3 years that intervened there, we really hadn't done much work, so we don't have much current knowledge. We know there were some agreements made on actions that were going to be done to bring it into a system-managed arena. We think, according to the documentation that we have, that has been done.

Now, we will go back and look and really do some assessments. That is the plan that we just started out with in the last week or so. In fact, it was at your request and we are going to address the follow-up actions to see if those original recommendations were appropriately addressed and achieved the results that we think they should have. Also, we will be looking at cost effectiveness and also how wide the utilization is.

Senator COLEMAN. One of the things that I recall, your original, I believe that you had an original recommendation that recommended dropping funding for DTS until cost and benefits were determined based—is that correct?

Mr. GIMBLE. In the draft report, we had recommended suspending the funding until the system was determined to be cost effective.

Senator COLEMAN. And then you dropped that recommendation—

Mr. GIMBLE. Well, what we did is we—I would like to say we got an alternate solution there. They agreed to—the Department agreed to put the system under an acquisition program, which is one part of that recommendation, and the other was they agreed to do the cost-effectiveness study, which was done by PA&E. Subsequent to that, our auditors had been redirected into other programs and so we relied on the Acquisition Memorandum Decision that was signed off in December 2003 that said everything was compliant and moving forward in terms of—it was a major acquisition information system versus a special interest initiative. So we really have been pretty dormant in the oversight of this particular system since the audit report was issued in July 2002.

Senator COLEMAN. But one of the things you were waiting on was a cost-benefit analysis from PA&E. Do you believe that was done? Have you had a chance to review that?

Mr. GIMBLE. We did not review that. This was over on our follow-up side and there was documentation that indicated it had been performed. When the Assistant Secretary or the CIO of the Department signed off on the Acquisition Memorandum Decision in December 2003 saying that everything was completed, we didn't go

back and follow it. We closed out and redirected our assets into other areas.

Senator COLEMAN. Dr. Comes, did you consider your work to be—at least as I understand it, my review of the record is that the Inspector General agreed to drop its recommendation that program funding be suspended until costs and benefits were determined. Have you seen a cost-benefit analysis?

Mr. COMES. We looked at the costs and benefits at the time of the program. The program was rather immature, so the available data to compare on the costs and benefits was rather limited. So we focused our efforts on what the requirements were for the program and whether there might be alternative solutions.

Senator COLEMAN. So would it be fair to say, as I understand it, you didn't have the data to do a cost-benefit—did you do a cost-benefit analysis?

Mr. COMES. The reason you couldn't do a cost-benefit analysis at the time, it was almost a circular argument. You would need a good travel system to collect all of that data. Lacking a travel system, you had no data. So we did what we could with the available data that the Program Office had at the time. They had done some pilot experiments at a few sites and they had reports for Congress that we reviewed to see what was available at the time.

Senator COLEMAN. I think it is certainly part of my frustration is we had a recommendation to stop funding until there was a cost-benefit analysis. It is really not possible to do a cost-benefit analysis if you don't have the system in place to do the analysis. I won't ask where we are at. I think where we are at, and we have sent a letter on this in August to the Inspector General to perform a cost-benefit analysis. I think it has to be done.

Mr. GIMBLE. And we started that work this week.

Senator COLEMAN. Apparently, this contract is going to be rebid sometime next year. Can somebody explain what pieces of it—what is going to be rebid, is it next August, next year?

Mr. GADDY. Mr. Chairman, the current contract is set to expire at the end of fiscal year 2006. What will be rebid is the follow-on contract support to operate and maintain the system, and if there are any additional changes to be made, we call it Phase II, travel reengineering kinds of things that were talked a little bit about in the earlier panel, if any of those things lead to changes, emerging changes in the marketplace that we want to adopt within the program through a follow-on contract, we would make those changes to the system.

Senator COLEMAN. Are we confident that we have identified several major problems getting to this end-to-end system that we would like, and clearly, they have been recognized that there are still some deficiencies in that regard. Do you believe that we need to resolve those problems at the time it is rebid? What happens if those problems aren't resolved? I am trying to understand a process here. If you still have issues out there, how do you effectively rebid?

Mr. GADDY. Mr. Chairman, what normally happens with this program is we have a series of releases, they are called Presidential releases. The Monroe release will be deployed in the December time frame. The Quincy Adams release will be deployed

sometime in the June 2006 time frame. That is the last scheduled release we have for this program.

Each one of these releases, the intent of it is to improve upon the capability of the system to provide even more functionality so we can address additional types of travel, for example, Guard and Reserve mobilization travel that is an issue for people.

What we are looking for in what we call the Phase II follow-on is how permanent duty travel is even managed. Some of the things that were alluded to here, if we want to change how travel policies—right now, the system is configured to comply on fares with the Joint Federal Travel Regulation. If there are changes to how travel should be administered, those would be then part of the follow-on contract.

In the basic sense, however, the intent is to manage the current application, operate it, sustain it, and then make any additional changes that might be deemed desirable using cost-benefit analysis to see if it is worth doing or not.

Senator COLEMAN. Mr. Williams, I would like to have you address this same question if you have problems, identify them. I am trying to get a sense of the measure of resolution required by the time a contract is rebid.

Mr. WILLIAMS. We are looking at about a 12-month time frame to go through the procurement process. The process would have to be very aggressive, in my opinion. I would say that you would want to make sure you do the things that were just described. You want to make sure you are doing everything that you can to upgrade the system to address those issues along the way.

We believe that because the system has already been implemented at approximately 5,600 out of the 11,000 locations, that Block 1 or Phase 1 should be completed. Once that is completed, we think that there should be a process in which there is an oversight, Management Oversight Review Board that needs to take a look at the whole DTS process, where do we go from here, and look at it from the standpoint of not just DTS, but this is just one component within an overall architecture for DOD and how is it fitting in and make some decisions on how the Department should proceed with DTS.

Senator COLEMAN. You indicated that it is presently in 5,600 of 11,000 locations, but my understanding is it is only used in a small percentage of those. So we are not getting 50 percent use. That is a 50 percent figure. What is the percent usage right now of DTS?

Mr. GADDY. You are correct that it is not fully used or utilized at all of those locations yet. While it has been deployed to 5,600 sites, during fiscal year 2005, approximately 8 percent of travel tickets were procured using DTS. Today, the usage of the system is about 80,000 travel vouchers a month. That number is growing at a rate of about 10 to 15 percent per month, so we are seeing more and more uses as it goes to more sites—

Senator COLEMAN. What are 80,000 travel vouchers? About what percentage of use does that represent?

Mr. GADDY. Again, looking at five million or so a year, that is about a million—so it is about 20 percent in total. But the usage is starting to grow because we are going to more sites and more users are being trained. There is a one-week training program, for

example, for initial usage at a site. The usage will expand. We will finish deploying to all of the major sites during fiscal year 2006.

Those major sites where the travel—and it is kind of interesting. If you look at total usage, 80 percent, roughly, of all travel is performed at those major sites. We talk 11,000, quite honestly, but there are probably 200 to 300 locations where about 80 percent of all the travel is actually conducted, and those are the targeted sites that we are really trying to take the system to first to get it fully deployed, fully used, so we can take advantage of the benefits that the system provides.

Senator COLEMAN. My concern is that it is \$25—is it \$20 or \$25 per transaction without DTS? What is the figure?

Mr. GADDY. If you use DTS for travel, for example, if you use full DTS, no touch, it is about \$5—

Senator COLEMAN. Five dollars.

Mr. GADDY [continuing]. For a travel reservation. If you go to a commercial vendor or a commercial travel office, you are talking, on average, \$25 for the same transaction.

Senator COLEMAN. It is about a \$20 difference?

Mr. GADDY. Right.

Senator COLEMAN. You have five million vouchers, \$12.2 million at \$20 more per cost.

Mr. GADDY. And on the back end, there is a big difference between the actual computation of the settlement, of the travel transaction. DTS is much cheaper. So we know that there is a lot of potential out there, and one of the things you cited, Dr. Chu's letter, as the owner of this area, one of the things, that same decision that directed the use of DTS was the establishment of a Travel Management Office within the Department because you have each service doing something with its own unique systems, including my own. As a result, his organization is now standing up a standard Travel Management Office which will assume the responsibility for managing department-wide travel so that we can begin to take advantage of a common application for all users and that is something that I very strongly support, that there ought to be one way of doing business within the Department.

Senator COLEMAN. I just want to make sure the record is clear. Is your testimony that DTS, that the Department has mandated by order the use of DTS?

Mr. GADDY. There was a directive signed last November by the Deputy Secretary that said DTS is the official travel system for the Department.

There is a subject of interpretation, I think, on the part of some that says, well, OK, that means I can use what I have got until you replace it, which is true. You have to have something that you use. But our perspective on it, our Program Management's perspective on it is as we deploy the system to these sites, once it is fully deployed to those sites, then our expectation is we will start shutting down the old systems. I am not sure that we have full agreement of that by the activities that own those systems.

Senator COLEMAN. Well, I would hope, and it is one of the things that we would like—you would think that there would be a common understanding from those at the highest level, if it is being

directed down to—as a military organization, people follow orders, don't they?

Mr. GADDY. Yes, sir, they normally do. However, what I find interesting about this business is some will claim they have never seen the order.

Senator COLEMAN. Dr. Comes, on page 13 of your report, you state, "It is our understanding that DOD has not bought the rights to the software developed for the DTS program. This could potentially limit the number of competitors that may support the Department's voucher processing in the future." Is there anything you have heard today that somehow is contrary to that notion?

Mr. COMES. That report was written in 2002—in December 2002. I am not aware of what has happened in the ensuing time.

Senator COLEMAN. I raise that, Mr. Gaddy, because of your testimony. Is it your testimony that as of today, that the statement that DOD has not bought the rights to software developed for DTS, that this could potentially limit the number of competitors that may support the Department's voucher processing in the future? Are there limitations on the opportunity for competitors based on limitations on property rights, software property rights?

Mr. GADDY. Mr. Chairman, there are no limitations on subsequent users or contractors who might want to operate this system on behalf of the Department.

Senator COLEMAN. And part of my concern here is I don't believe that the Department has really bought anything in the interim. You are simply giving an interpretation that obviously is contrary to—because nothing has changed. There was no purchase of property rights here, right, of software rights?

Mr. GADDY. Actually, what happened when the contract was restructured and we went from buying a service to buying software development, the normal Federal Acquisition Regulation rules kicked in that say if it is commercially developed software, we have rights to the software. Since then, we have actually gotten a signed letter from the contractor that acknowledges that and we are in the process of modifying the contract to make sure it specifically clarifies that. But our understanding and interpretation of the FAR is when we pay the contractor to develop software on our behalf, we have unlimited usage to that software as long as we wish to do so.

Senator COLEMAN. Mr. Williams, does the GAO have the same assessment of property rights as the DOD has?

Mr. WILLIAMS. As stated in Appendix 1 to my testimony, that is consistent with our belief.

Senator COLEMAN. As we move forward, there is obviously more work to be done. The testimony of the Department is certainly more optimistic than some of the assessments, as we heard on the earlier panel.

Can we talk just a little bit about cost savings. We are spending, as I understand, and I think it is Mr. Comes, is it \$537 million? Is that the figure? I don't know where that came from. Was it your study, from fiscal year 2001 to fiscal year 2014? Is that a valid figure? Does anybody dispute about \$537 million as the amount to complete software development in the system?

Mr. COMES. Again, that study was done in 2002. I am not aware of what is happening now as far as what the current cost to complete would be.

Senator COLEMAN. Do we have any estimates of the current cost to complete the system?

Mr. GADDY. Yes. Currently, the system total acquisition costs for the whole program is \$474 million.

Senator COLEMAN. And what is the time frame for that?

Mr. GADDY. Through fiscal year 2006. We have currently expended \$402.5 million of that amount.

Senator COLEMAN. If I went back to Mr. Schatz's testimony, he talked about the original study that this whole thing was \$260 million, that it was supposed to be looked at as that amount set aside and it was a cost per transaction. Is that simply out the window now and we are paying for it, this is our obligation, but Northrop runs the system? How does that work?

Mr. GADDY. Actually, Mr. Chairman, when the contract was restructured, you are correct. Prior to that point, it was a purchase of service. After the restructure, we bought software development work, program management support, deployment support. So we have, in fact, paid \$229 million of that contract value, original estimate \$264 million, we have expended \$229 million of that with Northrop Grumman to date.

Senator COLEMAN. I will bring this portion of the hearing to a close. My colleague, Senator Coburn, does have a series of questions, I think he indicated five pages. I am going to keep the record open for 2 weeks so that we can get a response to those.

But just an observation—and I also say that we will conduct a follow-up hearing to focus on the later reports that we expect to receive from the Inspector General and hopefully working with Mr. Williams, the GAO.

The concern as I sit here and have reviewed all the materials is there has been a concern certainly about process, Mr. Gaddy, and that was reflected in some court actions. But there have been concerns about process. There have been concerns about evaluation along the way, but many of those evaluations are now dated and so we will certainly get more current ones.

In the end, we want to make sure the system works. That is what it is about. If it doesn't work, then we need to know that and we need to have a very honest assessment of that so we are not throwing good money after bad. There may be a cheaper, better alternative if it doesn't work. But if it does work, let us make sure that we understand what the limitations are, that we then deal with those limitations, and I appreciate the letter from the Under Secretary, and then we will go from there.

As I said, this is simply a step along the road. We have not completed this process. We do appreciate your coming before us, the work you have done. We look forward to working with you in the future.

With that, the record will be kept open for 14 days. Questions will be submitted and responded to. This hearing is now adjourned.

[Whereupon, at 12:39 p.m., the Subcommittee was adjourned.]

A P P E N D I X

**Testimony of
Thomas A. Schatz,
President,
Citizens Against Government Waste before the Committee on Homeland Security
and Governmental Affairs**

September 29, 2005

Good morning, Mr. Chairman. Thank you for the opportunity to testify today before the Committee on Homeland Security and Governmental Affairs. My name is Tom Schatz and I represent the 1.2 million members and supporters of the Citizens Against Government Waste (CAGW).

CAGW was created 21 years ago after the late Peter Grace presented to President Ronald Reagan 2,478 findings and recommendations of the Grace Commission (formally known as the President's Private Sector Survey on Cost Control). These 2,478 recommendations provided a blueprint for a more efficient, effective, less wasteful, and smaller government.

Since 1984, the implementation of Grace Commission and CAGW recommendations have helped save taxpayers more than \$685 billion. With a national debt of more than \$7.9 trillion, our work is far from done.

Each year CAGW publishes *Prime Cuts*, a comprehensive list of spending cut options available to Congress. The 2005 edition lists 600 recommendations that could save taxpayers \$232 billion in one year and \$2 trillion over five years. *Prime Cuts* proves that the problem in Washington is not the lack of ideas, but the lack of political will to implement these ideas.

In September 2004, Citizens Against Government Waste published a *Through the Looking Glass* report entitled the "Defense Travel System: The Twilight Zone of Travel." The report revealed that the Defense Travel System (DTS), from its beginning in 1997 through today, has been replete with waste and mismanagement. I would like to submit the full report for the record.

CAGW applauds this subcommittee's efforts to evaluate DTS. The original rationale for DTS was valid: a streamlined, cost-effective way for the Department of Defense (DOD) to purchase and manage commercial travel. Like many other well-meaning government ideas, poor execution and misinformation doomed DTS.

The DTS project began with the establishment of the Defense Travel System Program Management Office (DTS PMO), which has three main duties: (1) procure a DOD-wide automated travel system; (2) reduce costs; and (3) streamline the travel

process. To accomplish these goals, the DTS PMO sought to acquire a software-based travel system, which would make business travel “quicker, easier, and more efficient by providing automated commercial and government travel support services to DOD travelers.”

In May 1998, the DTS PMO competitively awarded a contract estimated to cost \$263.7 million to BDM, which was subsequently purchased by TRW, Inc., which in turn was purchased by Northrop Grumman (Northrop). Northrop was required to develop an “e-travel system” which would provide for an “end-to-end” automated system. Once completed, the end-to-end system was supposed to provide every aspect of DOD’s travel management needs, including travel authorization, ticketing, voucher preparation, and travel reimbursement.

After operational deployment of a fully functional DTS, Northrop would receive a one-time, fixed price of \$20.00 per DOD user connected to the DTS, plus a fixed fee of approximately \$5.27 for each DOD trip performed using the travel system. DTS PMO assumed that all 3.2 million DOD users would be connected to the DTS by September 2001, and approximately 5 million transactions would be completed annually using the DTS through September 2006. Thus, upon full operational deployment to all 3.2 million DOD users at 11,000 sites worldwide, Northrop would receive payments of \$64 million. Thereafter, Northrop’s revenue would be based solely on the number of actual trips made by DOD travelers using the DTS.

In late 1998, the DTS PMO began testing the system. The initial tests of the DTS were failures. The DTS PMO soon recognized that the envisioned travel system was more complicated than originally thought and Northrop’s software was far less capable than promised. The DTS PMO ran the travel program with 326 various scenarios to see if the program would accept a trip request, give an accurate, reasonable price, and process a reimbursement voucher for the traveler. The numerous problems found in these tests included the system’s inability to either calculate temporary duty travel combined with leave or compute travel that required partial payments. Northrop immediately began to work on the identified glitches, but it was clear by early 1999 that the commercial off-the-shelf software provided by Northrop as the basis for the DTS could not be fixed with revisions; it needed a major redevelopment.

In the fall of 2000, the DTS PMO began the second batch of testing, yielding no better results than the first. Even though the system passed some of the test scenarios, 87 “critical” discrepancies were found in the software. Although 72 of the discrepancies were solved during the next few rounds of software updates, the completion of the software continued to be pushed back with each new problem. By August 2001, less than one month before DTS was to be fully deployed at all DOD sites worldwide, the DTS continued to fail its tests and was not ready for use at any DOD site. During this period it became apparent to the DOD and Northrop that DTS simply would not result in a functional end-to-end travel management system.

Things then went from bad to worse.

Up to this point, DOD had not invested any money into the program since all development, testing and deployment costs for the DTS would be covered by Northrop, as stated in the contract. Payments to Northrop would only commence upon completion, proof of effectiveness, and operational deployment of the travel system. However, rather than terminate the DTS contract and competitively procure a system that actually worked, the DTS PMO and Northrop entered into an unlawful agreement to totally restructure the contract and pass on hundreds of millions of dollars in costs to taxpayers.

Without opening the contract back up for competitive bidding, DOD and Northrop entered into secret negotiations and produced an entirely new agreement, violating the Competition in Contracting Act (CICA) of 1984. Negotiations lasted until February 2002, when modifications were executed that totally changed the technical requirements, performance schedule, and pricing provisions of the original DTS contract. In fact, the only contract feature not completely changed was the contract number.

The new agreement removed the most stringent aspects of the original contract. Instead of requiring a DTS system that operated in a client server mode (customizing and installing software in each individual computer server at every military base), Northrop only had to develop a web-based DTS, which would be similar to existing commercial Internet travel booking systems. Since DOD suddenly had to find a temporary solution to its travel needs while Northrop developed its web-based system, DOD also illegally added a new requirement for traditional travel services to the Northrop contract. These services were subcontracted to a large travel company (Navigent/Sato) at exorbitant rates, well above prices available in DOD's other competitively procured traditional travel service contracts.

The most significant alteration in the DTS contract restructuring was the change to a cost-reimbursable contract, which meant that the cost and risk for development and testing was shifted from Northrop to the taxpayers, thereby eliminating any incentive for Northrop to keep its costs under control. Even worse, the government paid Northrop \$53.5 million to cover the retroactive costs incurred during the unsuccessful tests prior to December 2000, and the government paid another \$30-\$40 million between January 2001 and March 2002, while both parties illegally negotiated the restructure of the DTS contract and Northrop continued its fruitless attempts to make the original DTS work. Finally, the DOD agreed to pay approximately \$35 to \$50 million a year commencing on April 1, 2002 to continue efforts to develop a functional system using the Internet.

In July 2002, DOD Inspector General (IG) Joseph E. Schmitz released a report that estimated the costs of the DTS program had grown from the original \$263.7 million to \$491.9 million – 87 percent higher than the original contract amount. He agreed with the DTS PMO that the project would not be concluded until 2006, four years behind schedule. Mr. Schmitz also severely criticized the management of the program, stating that the DTS was being “substantially developed without the requisite requirements, cost,

performance, and schedule documents and analyses needed as the foundation for assessing the effectiveness of the system and its return on investment.” The IG noted that the quarterly reports issued by the DTS PMO “did not always appear to report the ‘true state’ of the DTS program.” Finally, Mr. Schmitz said DTS “remains a program at high risk of not being an effective solution in streamlining the DOD travel management process.”

Despite the IG’s harsh critique of DTS, DOD continued to fund Northrup’s system.

The DOD’s Office of Program Analysis and Evaluation (PA&E), following up on the IG’s findings, released an in-depth report and cost analysis of the DTS to the DOD comptroller in December 2002. The PA&E recommended that the DOD consider commercial e-travel systems that were now available but were unavailable during the time of the original contract award to Northrop. The PA&E report noted that, without performing any cost/benefit analysis, the DTS PMO had included many features in its original solicitation for the travel system that were not required by DOD travelers. The PA&E stated that “DOD requirements need to be compared against commercial trends and software availability to see if developing this functionality is worth the cost.”

The PA&E noted that “many new web-based tools are available today on the Internet. These Internet tools interface with airline, hotel and rental car reservation systems ... providing a myriad of services and information directly to the traveler during all phases of travel planning.” Although the DTS PMO reported improved test results after the contract was restructured, the program nevertheless “still has a considerable ways to go before full functionality is delivered.” The PA&E found that “it has taken four years to achieve about half the required functionality with an additional three years needed to provide full functionality.”

The PA&E report also reviewed the original DTS PMO cost analysis for the DTS and found that the DTS program expects to spend \$537 million to complete development and maintenance during its life cycle (fiscal year 2001 to fiscal year 2014). The PA&E compared the cost per transaction fees of commercial e-travel systems (non-end-to-end systems) to the DTS (an end-to-end system). Testing at pilot DOD sites revealed that the average cost per transaction of commercial systems was \$41; the average cost per transaction of DTS was \$33.60. Therefore, the added benefit to DOD’s DTS end-to-end system would be \$7.40 per transaction, equaling \$37 million in total savings per year for a fully implemented DTS system. Taking all of these factors into consideration, the PA&E concluded that “at this rate, it will take 15 years of savings to break even on the DTS program.”

However, it is highly unlikely that a fully implemented and fully functional DTS will be achieved, even by September 2006. Taxpayers continue to fund the program, Northrop continues to make changes and modifications to the system, yet DTS continues to experience serious problems. In fact, the DTS may not even be able to keep up with

commercially available products. As the PA&E noted, “[i]n attempting to keep pace with ever increasing capabilities in commercial travel software, the probability of requirements growth in DTS software development will increase before final delivery.” This is not the first time it has been proven that the government cannot develop software at the same rate, efficiency, or low cost that can be achieved by the private sector.

Part of the confusion existed because DOD had not released current figures on the cost of the DTS program to date or projected estimates to complete the system through September 2006. Each time DTS is re-evaluated, the cost calculations rise significantly. In July 2002, the DOD IG estimated the system would cost \$491.9 million upon completion. Subsequently, the PA&E December 2002 report re-evaluated the DTS PMO’s cost benefit and analysis findings and stated that a fully deployed DTS would cost a total of \$537 million. A July 2004 article reported that “DTS is expected to be finished by Sept. 30, 2006, at a total cost of \$474 million.”

The most current cost estimate was released in March 2005. The Government Accountability Office (GAO) concluded that the “DTS total life cycle cost estimate, including the military service and Defense agencies, is \$4.39 billion.” The new estimate means that taxpayers are paying \$4.13 billion, or 1,565 percent, more than the original 1998 figure of \$263.7 million.

However, DTS’s problems do not end with rising costs and questionable functionality.

On July 26, 2004, the U.S. Court of Federal Claims, in the case of CW Government Travel, Inc. v. the United States, held that “[the DTS PMO’s] failure to issue a competitive solicitation for the traditional travel services added by Modification P00029 violated CICA [the Competition in Contracting Act].” The court found that the change to the DTS contract was “a cardinal change” and required the DTS PMO to re-solicit the traditional travel services work, which “will serve the public interest by ensuring fair and open competition in public contracts.”

In a small victory for taxpayers, the court ordered the government to terminate the traditional travel services portion of the 2002 DTS contract and conduct a competitive procurement that would result in a new contractor performing these services by November 2004. Based on a comparison of the pricing for traditional travel services in the Northrop contract to the pricing in CW Government Travel’s competitively won DOD travel contracts, DOD has overpaid for traditional travel services under the unlawful Northrop contract by approximately \$14 million since 2002.

Although the court found the 2002 restructure of the 1998 Northrop contract to be unlawful, it subsequently determined, in a novel and unprecedented decision, that the e-travel portion of the Northrop contract should remain in force. The court relied on a unique equitable argument that preventing the restructured 2002 Northrop contract for e-travel services from going forward would delay the project even further, and that

Northrop's system was "substantially complete." The court assumed that "[a]ny new contractor would not have a system that could be immediately deployed." Despite the unlawful pricing and technical changes, the court said the agreement with Northrop would remain because it was simply too late to terminate the contract and re-compete the web-based travel management system.

Unfortunately, the court's conclusions are not supported by the facts. While the court believed the DTS to be "substantially complete," it will cost taxpayers at least another \$50 million to deploy the system by late 2006. The DTS that is currently deployed frequently cannot find the lowest applicable airfare available for DOD travelers, nor does it work for international travel. Of the 5 million tickets the DOD issues annually, DTS cannot find the lowest available price for approximately 40 percent of them. Travel agents who have tested the DTS found that flights booked by DTS can cost as much as \$1,200 more per ticket than applicable fares available to government travelers because the DTS software did not alert the traveler or travel agent that a lower priced government fare was available.

Another fundamental problem with the DTS is that it does not provide travel agents with the information necessary for them to process DOD travel expenditures. The original contract stated that this would be a time-saving tool that the enhanced e-travel system would perform; yet, today this task must still be performed manually for the majority of travel transactions and often requires travel agent intervention at higher fees to correct the DTS errors.

Following the July 2004 decision, DOD issued a competitive solicitation for traditional travel services worldwide. According to the solicitation, travel agents are required to manually verify that DTS found the lowest fare available. In the event that DTS has not found the correct price for a ticket, travel agents must fix the problem or be held liable for any additional costs. If DTS worked as DOD claims, that requirement of travel agents would be unnecessary.

The court's determination that Northrop's e-travel system was substantially complete is further undermined by the fact that the DTS is rarely used at the military facilities where it has been operationally deployed. The DOD issues approximately 5 million tickets each year. Between 1998-2004, 15,000 tickets had been purchased through the DTS since 1998. This means that 99 percent of the DOD tickets were issued via traditional travel services. At that time, the most current DTS cost estimate was \$491.9 million; therefore, each of the 15,000 tickets issued cost taxpayers \$33,000.

On March 16, 2005, GAO confirmed that DTS is not able to complete many of the functions it was originally intended to perform. According to GAO, DTS cannot calculate late payment interest and fees, so travelers do not have any assurance of receiving proper and timely reimbursement for travel. According to "DTS officials," the system was never designed to handle such information. Also, the report noted that for the first quarter of fiscal year 2004, the Defense Finance and Accounting Service (DFAS)

“reported a 14 percent inaccuracy rate in DTS travel payments of airfare, lodging, and meals and incidental expenses.... In addition to these deficiencies, DFAS noted errors in DTS calculations for meals and incidental expenses.” The DFAS report “also noted that DTS was not adequately retaining an audit trail of administrative and security data, leaving management unable to investigate suspicious activities or research problem transactions.”

Currently, the DTS PMO states that DTS is already operating at 5,624 sites, has processed more than 1 million authorizations and more than 836,000 vouchers. However, these numbers are misleading. The DTS PMO claims that DTS is deployed at a site once one computer is hooked up to the system. The military facility is not required to use DTS nor does every computer need to be programmed to use DTS. The most effective use of the DTS system is its ability to produce authorizations and vouchers. However, this was not the original intent of DTS, nor was it the goal for the rewritten 2002 contract.

Taxpayers should not have to pay \$4.39 billion for a voucher system when there are alternative travel systems available for DOD use that have not cost the taxpayers a dime to build. DOD can purchase e-travel services from two vendors that were awarded contracts by the General Services Administration (GSA): CW Government Travel and EDS. Each of these two vendors provides a web-based system that was developed at their own expense rather than by the taxpayers, demonstrating that DOD did not have to assume all costs and performance risks to develop a web-based travel system. Moreover, these GSA contracts are available for DOD use immediately.

In its decision, the Court of Federal Claims refused to terminate the 2002 Northrop contract in part because the government stated that “Northrop would walk away with the system that it has developed and the Government would have to start over.” This is perhaps the most outrageous aspect of the 2002 Northrop contract. Despite having paid Northrop millions of dollars to develop, operate and maintain the DTS, the government does not own it, does not receive any profit from it, and has only been granted a license which requires it to pay Northrop for the right to use the very system built at the taxpayers’ expense.

While the DOD had good intentions to cut expenses and make its travel services more streamlined through the DTS, what the Pentagon has ended up with is a highly ineffective, very expensive and hugely wasteful system with many fundamental flaws that may never be fully resolved. Moreover, the DTS was procured under an unlawful contract at exorbitant costs, and the DTS PMO did not even obtain title to the DTS that it is paying billions of dollars to develop. The DOD steadfastly refuses to look at better e-travel alternatives, such as the systems developed by CW Government Travel and EDS, which cost taxpayers nothing to develop and provide quicker and cheaper solutions.

CAGW recommends that DOD cancel the DTS contract, which is nothing more than a government-subsidized monopoly. The rising costs and questionable performance record indicate that the investment is not a good deal for taxpayers or the government.

Furthermore, other systems are available for DOD's immediate use that are more cost-effective and user-friendly. CAGW also recommends that the 2002 PA&E report be publicly released so that full disclosure of DTS cost benefit and analysis can be provided. And finally, CAGW strongly supports Sen. Tom Coburn's (R-Okla.) amendment which would ban DOD from using funds for an e-travel system after October 1, 2005 and instead allow the Pentagon to obtain web-based travel services through GSA's e-travel program, saving at least \$30-\$50 million annually.

Thank you very much for this opportunity to testify. This concludes my testimony. I will be happy to answer any questions at this time.

**THE CORPORATE
SOLUTIONS GROUP**

Robert Langsfeld
Partner

P.O. Box 8410
Incline Village, NV 89452
Phn: (775) 832-5151
Fax: (775) 832-5191
rlangsfeld@thecsg.com
www.thecsg.com

Testimony presented to the
U.S. Senate Committee on Homeland Security and Government Affairs
Permanent Subcommittee on Investigations

By Robert Langsfeld, The Corporate Solutions Group®

September 29, 2005

Mr. Chairman and members of the sub-committee.

Thank you for the opportunity to be here today. My name is Robert Langsfeld. I am the founding partner of The Corporate Solutions Group®. We are a consulting firm providing services to the Government and Public sectors. I am here because our firm was retained by GSA to conduct an audit that included an audit of the DTS system.

Before I get to a discussion of the results of our audit, I would like to give you some information about my background. I have worked for two of the "Big Six" CPA firms. I have held several senior financial positions for United Technologies and General Dynamics, and have served as the Vice President of Finance for The Titan Corporation. I have since worked as a consultant for 15 plus years in the travel industry, exclusively assisting corporations and government agencies in managing their travel expenditures and processes, and auditing their programs for compliance and performance.

I have also assisted in the development of several corporate self-booking systems (similar to Orbitz and Expedia) as well as several corporate expense voucher reporting systems. Finally, I have been honored as being "One of the 25 most influential executives in the travel industry," by Business Travel News, the pre-eminent travel industry publication and resource.

I worked with the original DTS Project Management Office, under Col. Albert Arnold, to assist DOD in the initial DTS development. I was also hired by GSA's eTravel Solutions Office as their Subject Matter Expert (SME) for self booking travel systems and I assisted them in the development and source selection of their products for almost two years.

I am here today to discuss an audit that we were hired to perform on behalf of GSA and DoD of the DTS and eTS Travel Systems. This study audit included an executive summary and a second report of the Contract City Pair Program managed by GSA (the CPP program).

The scope of the request required The CSG to determine that fares returned through eTS and DTS travel services are the best, policy compliant fares that are available at the time of booking. The outcome was intended to be:

- An accurate, independent assessment of fare presentation.
- Use of the best available rates.
- Identification of applicable and appropriate audit and review standards.
- Improved travel options and reduced costs for the Federal traveler.
- Reduced cost to the taxpayer and government by ensuring that the best, policy compliant fares are available and to determine the degree that the fares have been used.

The General Services Administration's eTS master contracts and the DoD Defense Travel Systems that were reviewed were:

- CW Government Travel (CWGT) of San Antonio, Texas (E2 Solutions)
- EDS of Fairfax, Virginia (FedTraveler)
- Northrop Grumman Mission Systems (NGMS) of Fairfax, Virginia (GovTrip)
- And, The Defense Travel System hosted by Northrop Grumman Mission Systems (DTS)

The CSG Team was to perform an initial review of the booking systems and tools employed by the Government, including the DTS/eTS solutions and the underlying GDS and related inventory platforms. This review applied a combination of automated and manual techniques to perform the tests outlined in the statement of work. The review was designed to:

1. Analyze any differences found in the above-mentioned procedures to determine the reasons for the differences.
2. Provide a report providing raw results and summarize the findings, validate that the vendors are accurately taking availability and fare information from the GDS and accurately displaying this information for reservation purposes in a manner that is compliant with the DTS/ETS contracts/policies.
3. Assessing whether reservation and fare information are presented in the correct order as stipulated by the contract and associated policies. The appropriate methodology for establishing a baseline used a sampling methodology.

The initial review found a variety of errors, omissions and problems. However, when these problems were reported to DTS and GSA, instead of acknowledging the problems, project-management personnel decided to change and reduce our review and the performance scope of our contract significantly. These changes to our original assignment had the effect of significantly reducing our ability to report variances in available airfares, commercially available airfares (such as what you know as round-trip fares, competitive marketplace fares and so on) and limited the review to only CPP fares. I believe it is the Government's failure to acknowledge the errors and omissions that our initial review revealed that has brought me here today.

Despite the reduced scope of selected city pairs we did find significant performance issues with DTS:

1. All available fares are not listed/displayed
2. All CPP fares are not listed/displayed
3. Lowest cost airfares are not listed/displayed

I would like to take a moment to describe what the CPP process is and how the results get to the DTS and eTS systems. As you can see from the slide, GSA accepts bids from the airlines and then awards each city pair to the respective airlines. The rates are sent to a processing group, the Airline Tariff Publishing Company, and are "loaded" in to the respective Global Distribution Systems, such as Sabre, Galileo, Worldspan and Amadeus. The web-based travel systems of one or more of the travel companies and suppliers access this information, process it, and display it to the federal traveler.

During our CPP review, we found that between 7-8% of all of these fares either were not loaded correctly, or were not loaded at all in to the global distribution systems. Therefore, they were not available to DTS to be displayed for the DTS traveler to select. When this result was disclosed to GSA, however, their response was to say that the error rate of 8% was totally and completely acceptable.

The Government's response was nothing short of astounding. In the corporate sector, a 1% omission rate would result in a contractor being called on the carpet for corrective action, and a 2% variance would probably result in termination. Yet, for GSA and DTS, 8% omission is acceptable. In the corporate world, we not only expect, but we demand that when issues like these are identified, corrective action is taken. I cannot understand why the Government believes that an 8% error rate could ever be acceptable.

To make matters worse, GSA refused to provide our company with the source documentation to verify the city-pairs contracted by GSA with the airlines, despite repeated requests. We were denied access to pertinent information and not allowed to see if the program was performing as the contract required. No auditor can provide an opinion without source documentation.

GSA and DTS's actions made clear to us that what was being sought from The CSG was not a true "audit" but, rather, a "rubber stamp" validation that would demonstrate the success of the DTS and eTS systems and the CCP program.

The 8% omission rate of city pairs from the global distribution systems was only the first level of errors observed. When The CSG attempted to audit the DTS and eTS systems themselves, we were denied access to the operational

systems, methodologies and processes throughout the audit, even upon several attempts and requests to review these systems. Our auditors were not allowed to actually access DTS or the three eTS systems under review. We were only permitted to review the display/results of the systems. The PMO's "set the settings and policies" to ensure correct and consistent application for comparability. These restrictions on our audit were specifically noted in our findings.

Our audit was performed by conducting near-simultaneous comparative testing of all four (4) U.S. Federal Government electronic internet-based travel systems. Pre-testing began on Monday, February 14, 2005 while actual testing began on Tuesday, February 15, 2005 and continued through Monday, February 21, 2005.

To perform our audit, The CSG used the domestic and international itineraries that the Government selected and applied them to the DTS system and the three eTS systems. The trips were searched for CPP fares, in a consistent and objective manner. We established the criteria with the PMO's and DFAS to ensure consistency. We actually used the systems as a federal traveler would use them.

The result of these reports is clearly summarized in the following charts. As you will see in the chart a **YCA** is the code used to designate unrestricted coach class contract fares for Government contract carriers. A YCA Fare –Capacity-Controlled Fares (**_CA**) Fare is the code designating coach class fares that are restricted only as to limits on seat availability.

Table 1~~Table 4~~ (below) summarized major air routes used by federal travelers, as determined by the General Services Administration through its negotiated air fare program, The City Pair Program (CPP). The table described the two major negotiated air fare categories contracted by the Government.

This table shows that the eTS/DTS air fare booking tools portrayed between 34.5% and 89.9% of all applicable CPP fares offered in the 25 markets.

A higher number of contract fares displayed represents a better service offering for the Government and makes the largest array of potential savings opportunities available.

Overall, the systems successfully displayed accurate contract fares between 91.2% and 97.2% of the time when such fares were offered. The major operational deficiency characterized by the table is in the ability of the systems evaluated to present all applicable contract fares.

In fact, only 61 of 187 displayed CPP flights were listed by DTS which is on 33% of the potential fares displayed. The others showed between 35% and 91% of the fares displayed.

Table 1: TOP 25 DOMESTIC CITY PAIRS

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	187	61	32.6%	66	35.3%	170	90.9%	76	40.6%
CA CP Fares Displayed	119	41	34.5%	44	37.0%	107	89.9%	100	84.0%
Total CP Fares Displayed for CC	306	102	33.3%	110	35.9%	277	90.5%	176	57.5%
CC Flights Displaying Correct CP Rate	N/A	93	91.2%	103	93.6%	270	97.5%	171	97.2%
Identical CP Flights Appearing in all 4 Systems	57								
% of Identical CP Flights Appearing in all 4 Systems	18.6%								

The audit further identified situations where fares lower than the contract rates were available through the general marketplace (by using competing, non-contracted, services). The systems did not uniformly display this information correctly.

The same processes were applied to pre-selected international travel and are displayed below.

Table 2: TOP 10 OVERSEAS FLIGHTS ORIGINATING OR TERMINATING WITHIN THE UNITED STATES

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	44	13	29.5%	12	27.3%	39	88.6%	15	34.1%
_CA CP Fares Displayed	26	13	50.0%	14	53.8%	23	88.5%	15	57.7%
Total CP Fares Displayed for CC	70	26	37.1%	26	37.1%	62	88.6%	30	42.9%
CC Flights Displaying Correct CP Rate	N/A	20	76.9%	18	69.2%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems	13								
% of Identical CP Flights Appearing in all 4 Systems	18.6%								

The data portrayed by both tables show that, while each of the booking systems evaluated offer a high number of contract fares accurately and consistently, there are anomalies and deficiencies in both contract displays and competitive market displays.

We were limited by the Government imposed audit parameters to looking only at the CPP fares. Therefore we did not report on any optional, comparative commercial fares that were available. It is important to note that the results on this table represent the *best* performance that the systems could have achieved in finding the Government CPP fares. If we had been required to look at other non-CPP fares, then DTS and the eTS systems results would have been considerably worse. The Federal Acquisition Regulations clearly identifies the need and opportunity for the government traveler to take the most cost

advantageous comparable airfares. Without being presented with alternative air fares which are commercially available the government traveler could spend more than they should.

As is quite apparent, the displayed fares for ALL applicable contract fares, as provided by the PMO's, were not always displayed by these systems. If they are not displayed then they cannot be selected by the traveler. In fact, as shown in the chart, in our review DTS only displayed the applicable contract fares one-third of the time.

Most of the work in audit and system reviews that we have performed has been in the private sector. An audit that obtained results such as these in the corporate world would have elicited a strong concern and action plan to correct the deficiencies. I was surprised, and in fact astonished that when these findings were presented, the government sought to downplay and ignore the results. Government representatives even sought to have us change some of the findings to give a better result. Both my personal and my company's reputation and integrity as an independent professional auditor were challenged. I chose not to accept a compromise or bend to the pressure. When I refused to accept the proposed changes our company's contract was terminated.

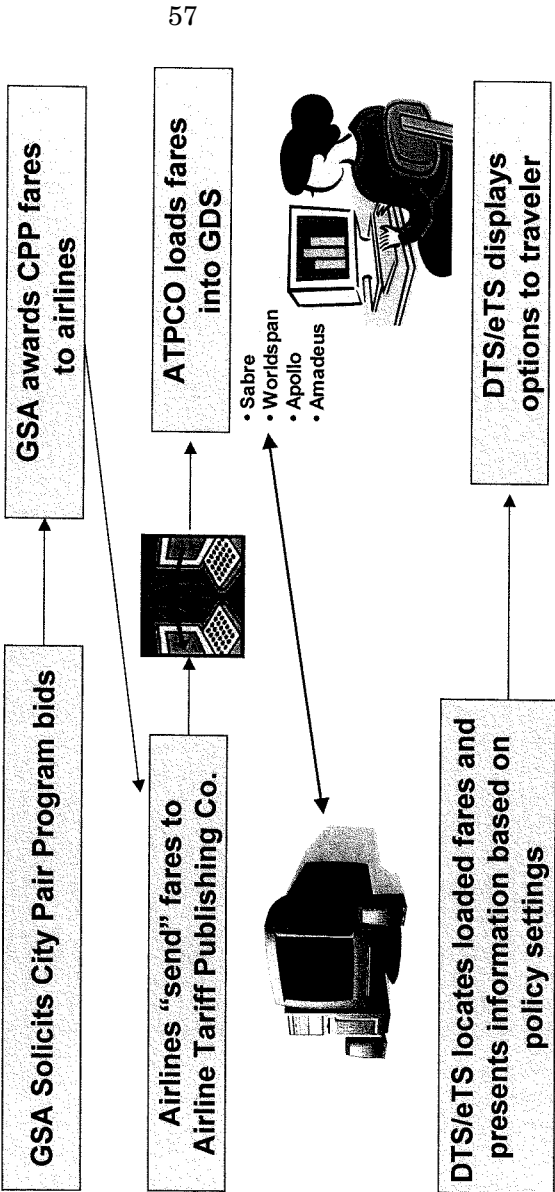
The overriding concern I see in this study is that when deficiencies and problems were identified, the Government personnel chose to change, suppress or modify results in order to downplay the severity of the problems and to disclaim responsibility. Our concerns were expressed a number of times.

I do not understand or accept that the Government was not performing a continuing quality control audit, as corporations do on an ongoing basis, to ensure contract performance and compliance of the CPP program, the DTS system and the eTS system. It is painfully apparent that such reviews need to be at an independent level and not entrusted to the operational personnel in the GSA and DoD offices.

The DTS and GSA claims of adoption, performance and savings using this new technology are extremely optimistic...if not categorically wrong and overstated. The reality of the performance and expectations needs to be valued and evaluated compared to the budget and requirements at the individual agencies. In these times of budgetary concerns and constraints the performance of systems such as these is paramount. I hope that this committee and these hearings may result in a viable and reliable process for the use of the government and in this case, the government traveler.

Thank you for allowing me to participate in this hearing and I am prepared to answer your questions.

City Pair Program Process



September 29, 2005



Hold for Release
Expected 9:30 a.m.

Statement
of
Mr. Thomas F. Gimble
Acting Inspector General
Department of Defense

before the
Permanent Subcommittee on Investigations
Senate Committee on Homeland Security and
Governmental Affairs

on
"Management of the Defense Travel System"

Mr. Chairman and Members of the Permanent Subcommittee on Investigations:

Thank you for the opportunity to appear before the committee today and to respond to your request to address and answer questions regarding our audit report, "Allegations to the Defense Hotline on the Management of the Defense Travel System," Report No. D-2002-124, dated July 1, 2002. We conducted the audit in response to allegations made to the Defense Hotline concerning management of the Defense Travel System. In summary, we concluded that the Department of Defense (DoD) should have managed the Defense Travel System Program as a major automated information system program and ensured that it had met requirements of the Clinger-Cohen Act and DoD acquisition and security policies.

Before I begin discussing the Defense Travel System, I would like to provide information on other acquisition efforts where we identified systemic problems pertaining to information technology acquisitions reported for the period October 1996 to March 2000 (IG, DoD Report No. D-2000-162, "Summary of Audits of Acquisition of Information Technology," dated July 13, 2000). Those identified systemic problems were: inadequate documentation and validation of system requirements, inaccurate life-cycle cost analysis or incomplete cost data, incomplete analysis of alternatives to assure programs are the most cost effective solutions, improper categorization of systems for oversight purposes according to the acquisition criteria established in DoD policy, and incomplete or nonexistent acquisition program baselines to record cost, schedule and performance goals. Many of these issues were present in the Defense Travel System acquisition. Additionally, we believe that the Defense Travel System also faced significant challenges in using commercial-off-the-shelf software that required substantial modifications. In May 1999 and June 2002, we reported on similar challenges in using commercial-off-the-shelf software for the Standard Procurement System and the Defense Integrated Military Human Resources System, respectively.

Defense Travel System

The Defense Travel System was envisioned as a general support system designed to make business travel quicker, easier, and more efficient by providing automated commercial and Government travel support services to DoD travelers. In addition, the Defense Travel System was to be designed to speed and streamline the entire cycle of authorization, reservation, and claims processing involved in global DoD travel. By early 1999, as indicated in our audit report, it became evident that the commercial-off-the shelf software required major development and modification in order to meet DoD requirements. In February 2002, the Defense Travel System Program Management Office requested approximately \$377 million to manage and develop the program for FY 2002 through 2007, of which \$186.5 million was research, development, test, and evaluation funds.

Acquisition of Travel Services

As stated in our July 2002 audit report, the Defense Travel System was at high risk for not being an effective solution to streamlining the DoD travel management process because it had not been managed in accordance with either the Clinger-Cohen Act or DoD acquisition policy. User requirements were not defined through a mission needs statement or operational requirements document. Further, the Defense Travel System experienced significant testing and deployment problems. Those problems were compounded by the need for significant developmental efforts that had not been originally planned for because the Defense Travel System was considered a commercial-off-the-shelf based system.

Testing and Deployment

Significant problems in testing by the Program Management Office beginning in late 1998 and in operational assessments conducted by the Joint Interoperability Test Command in November 2000 and in July to August 2001 confirmed the need for additional program structure, analysis and oversight subsequently recommended by our audit report. The Program Management Office had terminated the November 2000 operational assessment because 72 discrepancies and substantial deployment problems were identified. With respect to the second operational assessment, in October 2001, the Joint Interoperability Test Command reported that it did not consider the Defense Travel System to be an operationally effective system for all DoD Components. In FY 2002, DoD revised its deployment plan and reduced the number of deployment sites from 11,000 sites to about 260 sites, at which the Program Management Office indicated included 86 percent of all DoD travelers.

Acquisition Oversight

The Clinger-Cohen Act of 1996 and DoD acquisition policy provide an effective framework for the management of information technology investments. The DoD Chief Information Officer is responsible for monitoring and evaluating the performance of information technology programs to include advising the Secretary of Defense whether to continue, modify, or terminate a program [40 U.S.C. 1425]. Information on cost, schedule, and performance required by DoD acquisition policy would also be needed by the Chief Information Officer in performing those responsibilities. However, DoD had not viewed the Defense Travel System as subject to DoD acquisition policy for a program because its capabilities were based on commercial-off-the-shelf software, and therefore, information on cost, schedule, and performance had not been obtained. DoD had not instituted acquisition controls to provide essential information for decision-making, such as a mission needs statement or operational requirements document, a life-cycle cost estimate, an acquisition program baseline, and a test and evaluation master plan because the system was not designated as a program. Further, because the Defense Travel System had not been designated as a major automated information system acquisition program until May 2002 [about 7 years after the initiation of the Defense Travel System], the Program Management Office had not prepared these documents, and therefore, such information had not been available for decision making nor had there been a milestone decision authority established pursuant to DoD acquisition policy.

Designation as Special Interest Initiative

In June 1997, the Assistant Secretary of Defense for Command, Control, Communications and Intelligence [DoD Chief Information Officer] designated the Defense Travel System as a special interest initiative. DoD did not consider special interest initiatives subject to acquisition policy requirements. In May 1999, the Assistant Secretary of Defense for Command, Control, Communications and Intelligence issued a memorandum, "Designation of Major Automated Information System Acquisition Programs/Special Interest Initiatives and Related Oversight Requirements," providing general guidance for programs designated as special interest initiatives. Specifically, the memorandum stated that the special interest initiatives did not require Information Technology Overarching Integrated Product Team oversight but were subject to review by the Chief Information Officers of the DoD, Army, Navy, or Air Force. In January 2001, the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller/Chief Financial Officer) recommended a reassessment of the Defense Travel System because of deficiencies identified during acceptance tests. They also required the Army to specify actions needed on the Defense Travel System contract based on results of a functional and technical assessment of the system. On March 30, 2001, the Assistant Secretary of Defense for Command, Control, Communications and Intelligence issued a memorandum, "Designation of Major Automated Information System Acquisition Program," that identified DoD information systems designated as major automated information systems subject to DoD acquisition requirements. However, the Defense Travel System remained a special interest initiative, and therefore, was not subject to DoD acquisition policy. On April 5, 2001, the U.S. Army Communications-Electronics Command became responsible for the contract, to include contract restructuring. On July 17, 2001, the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller/Chief Financial Officer) issued a memorandum, "Defense Travel System," that approved proceeding with the Defense Travel System and identified that they, the Under Secretaries, would retain oversight responsibility of the program until the contract actions were completed.

Report Recommendations

We had recommended the designation of the Defense Travel System as a major automated information system program and that the Under Secretary of Defense (Comptroller/Chief Financial Officer) complete the Program Analysis and Evaluation study by October 1, 2002. The Under Secretary tasked the Director, Program Analysis and Evaluation to undertake a cost effectiveness study of the Defense Travel System that would be used to determine whether to continue or terminate the system. Additionally, we had recommended among other things, that the Project Management Office comply with the intent of the Clinger-Cohen Act by managing the Defense Travel System as a major information technology investment and develop essential acquisition documents needed for effective oversight including a mission statement, an operations requirements document, a life-cycle cost estimate, an acquisition program baseline, and a test and evaluation master plan. We had further recommended that the Under Secretary of Defense for Acquisition, Technology, and Logistics; the Under Secretary of Defense (Comptroller/Chief Financial Officer); and the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) review the progress made by the Program Management Office in developing appropriate acquisition

information and determine whether the Defense Travel System Program should continue or be terminated.

Management Actions Taken

In response to our audit, in May 2002, the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence designated the Defense Travel System as a major automated information system program subject to DoD acquisition policy with himself as the milestone decision authority. In response to our report recommendation, the results of the Program Analysis and Evaluation study were briefed to the Under Secretary of Defense (Comptroller/Chief Financial Officer) in December 2002. On December 24, 2003, the Assistant Secretary of Defense for Networks and Information Integration [DoD Chief Information Officer], formerly the Assistant Secretary of Defense for Command, Control, Communications and Intelligence, issued a Defense Travel System Acquisition Decision Memorandum based on the Milestone C decision held October 20, 2003. A Milestone C decision to proceed commits DoD to production and deployment of a system. In the decision memorandum, he continued the program, and among other things, certified that the Defense Travel System Program was being developed in accordance with the requirements of Clinger-Cohen Act of 1996, and confirmed that appropriate actions had been taken for business process reengineering, analysis of alternatives, economic analysis and performance measures. Additionally, he indicated in his memorandum that an appropriate information assurance strategy was in place for the Defense Travel System.

Related ongoing work

On June 22, 2005, Senator Coburn, Chairman, Subcommittee on Federal Financial Management, Government Information, and International Security requested information on the material differences between the original Defense Travel System and the 2002 contract renegotiation. On July 27, 2005, we initiated work in response to his request.

On August 11, 2005, Senator Coleman, Chairman, Permanent Subcommittee on Investigations requested that our office “undertake a full, complete and independent performance and cost benefit evaluation of the Defense Travel System to determine if it is the most cost-effective solution to the Department’s travel needs.” In response to that request, we announced an audit on September 26, 2005.

United States Government Accountability Office

GAO

Testimony
Before the Permanent Subcommittee on
Investigations, Committee on
Homeland Security and Governmental
Affairs, U.S. Senate

For Release on Delivery
Expected at 9:30 a.m. EST
Thursday, September 29, 2005

**DOD BUSINESS
TRANSFORMATION**

**Preliminary Observations
on the Defense Travel
System**

Statement of McCoy Williams
Director, Financial Management and Assurance

Keith A. Rhodes
Chief Technologist, Applied Research and Methods
Center for Engineering and Technology



September 29, 2005

DOD BUSINESS TRANSFORMATION

Preliminary Observations on Defense Travel System



Highlights of GAO-05-998T, a testimony to the Permanent Subcommittee on Investigations, Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

The Department of Defense (DOD) has been working to develop and implement a standard end-to-end travel system for the last 10 years. The Subcommittee has been at the forefront in addressing issues related to DOD's travel management practices with the hearing today being another example of its oversight efforts. Because of widespread congressional interest in the Defense Travel System (DTS), GAO's current audit is being performed under the statutory authority given to the Comptroller General of the United States. GAO's testimony is based on the preliminary results of that audit and focuses on the following three key questions: (1) Has DOD effectively tested key functionality in DTS related to flights and fare information? (2) Will DTS correct the problems related to DOD travel previously identified by GAO and others? and (3) What challenges remain in ensuring that DTS achieves its goal as DOD's standard travel system?

In addition, the Subcommittee asked that GAO provide a description of the intellectual property rights of DOD in DTS. This issue is addressed in appendix I.

Subsequent to this testimony, GAO plans to issue a report that will include recommendations to the Secretary of Defense aimed at improving the department's implementation of DTS.

www.gao.gov/cgi-bin/getrpt?GAO-05-998T

To view the full product, including the scope and methodology, click on the link above. For more information, contact McCoy Williams at (202) 512-6906 or Keith Rhodes at (202) 512-3412.

What GAO Found

DTS development and implementation have been problematic, especially in the area of testing key functionality to ensure that the system will perform as intended. Consequently, critical flaws have been identified after deployment, resulting in significant schedule slippages as shown below.

	1998	1999	2000	2001	2002	2003
Phase I - Common User Interface (CUI) Computation Module Test						
						Sept 98 [█] Jan 99
Phase II - Full system test within a controlled environment						
						Oct 98 [█] Sept 99
Phase IIIa (part 1) - Full system test on an operational base using simulated data						
						Oct 98 [█] Sept 00
Phase IIIa (part 2) - Full system test on an operational base using live data						
						Nov 98 [█] Dec 00
Phase IIIb - Full system test of CUI interfaced with accounting and disbursing system of each military service and defense agency						
						Jan 99 [█] Ongoing testing continues until all 35+ Defense Accounting and Disbursing Systems have successfully completed testing

□ Original date █ Schedule delays █ Actual date
Source: GAO.

GAO's recent analysis of selected requirements disclosed that system testing was ineffective in ensuring that the promised capability has been delivered as intended. For example, GAO found that DOD did not have reasonable assurance that DTS properly display flight and airfare information. This problem was not detected prior to deployment, since DOD failed to properly test system interfaces. Accordingly, DOD travelers might not have received accurate information which, could have resulted in higher travel costs.

DTS has corrected some of the previously reported travel problems but others remain. Specifically, DTS has resolved the problem related to duplicate payment for airline tickets purchased with the centrally billed accounts. However, problems remain related to improper premium class travel, unused tickets that are not refunded, and accuracy of traveler's claims. These remaining problems cannot be resolved solely within DTS and will take departmentwide action to address.

GAO identified two key challenges facing DTS in becoming DOD's standard travel system: (1) developing needed interfaces and (2) underutilization of DTS at sites where it has been deployed. While DTS has developed 32 interfaces with various DOD business systems, it will have to develop interfaces with at least 17 additional systems—not a trivial task. Furthermore, the continued use of the existing legacy travel systems results in underutilization of DTS and affects the savings that DTS was planned to achieve. Components incur additional costs by operating two systems with the same function—the legacy system and DTS—and by paying higher processing fees for manual travel vouchers as opposed to processing the travel vouchers electronically through DTS.

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to discuss our preliminary results of the Department of Defense (DOD) efforts to develop and implement a new standard end-to-end travel system.¹ Over 10 years ago, the DOD Task Force to Reengineer Travel issued a report that pinpointed three principal causes for DOD's inefficient travel system: (1) travel policies and programs were focused on compliance with rigid rules rather than mission performance, (2) travel practices did not keep pace with travel management improvements implemented by industry, and (3) the travel system were not integrated. To address these concerns, DOD established the Project Management Office—Defense Travel System (PMO-DTS) to acquire travel services that would be used DOD-wide. This Subcommittee has been at the forefront in addressing issues related to DOD's travel management practices. Continued oversight activities such as this hearing can help ensure that DOD achieves its long-standing goal of successfully implementing a standard travel management system. We look forward to continuing to work with the Subcommittee.

Because of widespread congressional interest in the Defense Travel System (DTS), our current audit is being performed under the statutory authority given to the Comptroller General of the United States. Our testimony today is based on the preliminary results of that audit. Although we discussed the preliminary findings included in our testimony with DOD officials, we have not yet provided the department with our draft report for comment. Subsequent to this testimony, we plan to issue a report that will include recommendations to the Secretary of Defense aimed at improving the department's management and oversight of DTS.

¹ DOD expects DTS to perform all functions related to travel or ensure that other systems are provided with adequate information to provide this functionality. For example, obligating funds associated with travel is a necessary function and DTS is expected to (1) make sure that adequate funds are available before authorizing travel either through information contained in its system or by obtaining the necessary information from another system, (2) obligate funds through issuance of approved travel orders, and (3) provide DOD's financial management systems with the necessary information so that those systems can record the obligation. Since DTS is required to ensure that all travel related functionality is properly performed, DOD commonly refers to DTS as an "end-to-end system."

Today, our testimony will focus on the following three key questions:

- Has DOD effectively tested key DTS functionality related to flights and fare information?
- Will DTS correct the internal control weaknesses and improper payments previously identified?
- What challenges remain in ensuring that DTS achieves its goal as DOD's standard travel system?

In addition, for the hearing today, you asked us for a description of DOD's property rights in DTS. We address this issue in appendix I.

To address the first key question, we reviewed two key DTS flight-related requirements and the related testing to determine if the desired functionality was effectively implemented. To address the second key question, we analyzed (1) our prior reports and testimonies, (2) selected Defense Finance and Accounting Service (DFAS) reports, and (3) DOD congressional testimonies to identify the specific problems that DTS was intended to resolve. We also randomly selected for detailed review travel vouchers and transactions drawn from the first quarter of fiscal year 2005 (October-December 2004) to determine if DTS calculation problems identified by DFAS had been resolved.² To address the third key question, we discussed with the PMO-DTS the deployment of DTS as it relates to the transmission of data such as finance and accounting information, between DTS and the other systems belonging to DOD, as well as the private sector.

We also analyzed DOD data related to the utilization of DTS throughout DOD. We determined that the DOD data we used as the basis for the preliminary evaluation in the testimony were sufficiently reliable by (1) performing electronic testing of required data elements, (2) reviewing existing information about the data and the system that produced them, and (3) interviewing agency officials knowledgeable about the data. We performed our work from October 2004 through September 2005 in accordance with U.S. generally accepted government auditing standards. Details of our scope and methodology are included in appendix II.

Summary

DTS's development and implementation have been problematic, especially in the area of requirements and testing key functionality to ensure that the

² Defense Finance and Accounting Service, Statistical Operations and Review Branch, *Military and Civilian Pay Services Defense Travel System: Results of Post Payment Reviews, 1st Quarter, FY 2004* (Kansas City, Mo.: undated).

system would perform as intended. Thus, it is not surprising that critical flaws have been identified after deployment, resulting in significant schedule slippages. As originally envisioned, the initial deployment of DTS was to commence within 120 days after the effective date of contract award in September 1998, with complete deployment to approximately 11,000 locations by April 2002. However, that date has been changed to September 2006—a slippage of over 4 years. Our recent analysis of selected requirements for one key area disclosed that system testing was ineffective in ensuring that the promised capability was delivered as intended. For example, we found that DOD did not have reasonable assurance that flight information was properly displayed.³ This problem was not detected prior to deployment since DOD failed to properly test the system interfaces through which the data is accessed. Accordingly, DOD travelers might not have received accurate information on available flights, which could have resulted in higher travel costs. PMO-DTS officials have acknowledged that the problem has existed since the implementation of the system. PMO-DTS officials have indicated that the problem was corrected in an August 2005 release of the software. We are in the process of following up to determine whether the corrective actions have resolved the problem and will include the results in our report that will be issued subsequent to the testimony.

DTS has corrected some of the previously reported internal control weaknesses, while others remain. We previously reported that as a result of a breakdown in internal controls and a weak control environment, DOD has (1) paid for improper premium class travel, (2) failed to redeem unused airline tickets, and (3) paid twice for the same airline ticket when using the centrally billed accounts (CBA).⁴ In commenting on our reports and in congressional testimony, the department has stated that DTS, to varying degrees, will help resolve these problems. In addition to our audit related issues, DFAS's Kansas City Statistical Operations and Review

³ Flight information includes items such as departure and arrival times, airports, and the cost of the airline ticket.

⁴ GAO, *Travel Cards: Internal Control Weaknesses at DOD Led to Improper Use of First and Business Class Travel*, GAO-04-88 (Washington, D.C.: Oct. 24, 2003); GAO, *Travel Cards: Internal Control Weaknesses at DOD Led to Improper Use of First and Business Class Travel*, GAO-04-228T (Washington, D.C.: Nov. 6, 2003); GAO, *DOD Travel Cards: Control Weaknesses Led to Millions of Dollars Wasted on Unused Airline Tickets*, GAO-04-398 (Washington, D.C.: Mar. 31, 2004); GAO, *DOD Travel Cards: Control Weaknesses Led to Millions of Dollars of Improper Payments*, GAO-04-576 (Washington, D.C.: June 9, 2004); GAO, *DOD Travel Cards: Control Weaknesses Led to Millions in Fraud, Waste, and Improper Payments*, GAO-04-825T (Washington, D.C.: June 9, 2004).

Branch has previously reported inaccuracies with DTS's travel payments of airfare, lodging, meals, and incidental expenses.⁵ First, although DOD has taken numerous actions to improve existing guidance and controls related to premium class travel, including system changes in DTS, our preliminary results indicate that unauthorized premium class travel continues. This continuing problem is not the fault of DTS but rather the lack of adherence to departmental policy. Second, as currently designed, DTS cannot determine whether a traveler has not used all or a portion of an airline ticket, unless the traveler requests that the commercial travel office (CTO) process a credit for the unused portion of the airline ticket. To address the problem, the department now requires certain CTOs to run unused ticket reports that identify tickets that were not used within a specified time period, usually 30 days past the trip date. Third, in regard to duplicate payment for the same ticket, we have observed that DTS is designed to ensure that tickets purchased through the CBA cannot be claimed on the individual's travel voucher as a reimbursement to the traveler, thus eliminating this problem.

Finally, we randomly sampled 170 travel vouchers⁶ for the period October 1, 2004, to December 31, 2004,⁷ to ascertain if the problems previously reported by DFAS had been resolved. From our preliminary results for the attributes tested, we found that DTS calculated the lodging and meal reimbursements correctly based upon information provided by the traveler. However, we identified instances in which human error, either by the travelers or the authorizing officials (AO), resulted in the amount of reimbursement to the traveler being questionable. For example, the department's policy prescribes the use of a compact car as the norm, unless otherwise authorized by the AO. We found eight cases in which the traveler rented a vehicle other than a compact without the proper authorization. We found no evidence that the AOs questioned why departmental policy was not followed.

⁵ Defense Finance and Accounting Service, Statistical Operations and Review Branch, *Military and Civilian Pay Services Defense Travel System: Results of Post Payment Reviews, 1st Quarter, FY 2004* (Kansas City, Mo.: undated).

⁶ We randomly selected 173 travel vouchers for detailed review, but at the time of our review, 3 vouchers had not yet been completed and submitted for review.

⁷ The vouchers selected for review were those trips in DTS where (1) the trip started on or after October 1, 2004, and (2) the trip ended on or before December 31, 2004.

To become the standard travel system within DOD, DTS has faced and will continue to face challenges—some of which are beyond the control of the DTS program. Our testimony today focuses on two of those challenges: (1) developing needed interfaces and (2) underutilization of DTS at sites where it has been deployed. To date, DTS has developed 32 interfaces with various DOD business systems and going forward interfaces will have to be developed with 17 additional business systems. According to the PMO-DTS, a reported \$30 million has been spent on developing and testing the interfaces. Some of these systems, such as the Army's General Fund System, are critical to DOD's modernization of business systems and operations. According to the PMO-DTS, the availability of funding to develop the interfaces is uncertain. Unless these interfaces are successfully developed and implemented, it will be virtually impossible for DTS to be a truly end-to-end business system.

The continued use of the existing legacy travel systems at locations where DTS is already deployed underutilizes DTS and reduces the savings the DTS was planned to achieve. For example, the Army has acknowledged that legacy systems are operating at locations where DTS has been deployed. As a result, DOD is spending funds on duplicative systems—legacy systems and DTS. Additionally, because of the continued operation of the legacy systems at locations where DTS has been fully deployed, DOD components may pay DFAS a higher processing fee for processing manual travel vouchers as opposed to processing the travel voucher electronically through DTS. For example, for the period October 1, 2004, to February 28, 2005, the Army paid DFAS approximately \$6 million to process 177,000 travel vouchers manually—\$34 per travel voucher, versus about \$186,000 to process 84,000 travel vouchers electronically—\$2.22 per voucher. Overall, for this 5-month period, it cost the Army about \$5.6 million more to process these travel vouchers manually as opposed to electronically using DTS.

Background

Twelve years ago, in September 1993, the National Performance Review called for an overhaul of DOD's temporary duty (TDY) travel system. In response, DOD created the DOD Task Force to Reengineer Travel to examine the process. In January 1995, the task force issued the Report of the Department of Defense Task Force to Reengineer Travel.⁸ The Task

⁸ DOD, *Report of the Department of Defense Task Force to Reengineer Travel* (Washington, D.C.: January 1995).

Force's report pinpointed three principal causes for DOD's inefficient travel system: (1) travel policies and programs were focused on compliance with rigid rules rather than mission performance, (2) travel practices did not keep pace with travel management improvements implemented by industry, and (3) the travel system was not integrated.

On December 13, 1995, the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer issued a memorandum, "Reengineering Travel Initiative," establishing the PMO-DTS to acquire travel services that would be used DOD-wide. Additionally, in a 1997 report to the Congress, the DOD Comptroller pointed out that the existing DOD TDY travel system was never designed to be an integrated system.⁹ Furthermore, the report stated that because there was no centralized focus on the department's travel practices, the travel policies were issued by different offices and the process had become fragmented and "stove-piped." The report further noted that there was no vehicle in the current structure to overcome these deficiencies, as no one individual within the department had specific responsibility for management control of the TDY travel system.

To address these concerns and after the use of competitive procedures, the department awarded a firm fixed-price, performance-based services contract to BDM International, Inc. (BDM) in May 1998. In September 1998, we upheld the department's selection of BDM.¹⁰ Under the terms of the contract, the contractor was to start deploying a travel system and to begin providing travel services for approximately 11,000 sites worldwide, within 120 days of the effective date of the contract, completing deployment approximately 38 months later. The contract specified that, upon DTS's achieving initial operational capability (IOC),¹¹ BDM was to be

⁹ Office of the Under Secretary of Defense (Comptroller); *Department of Defense Travel Reengineering Pilot Report to Congress* (June 1997).

¹⁰ The competitor, Electronic Data Systems Corporation (EDS), had alleged that the department improperly evaluated the two offers by: (1) undervaluing the estimated savings to the department by EDS's proposed accelerated DTS deployment schedule; (2) failing to hold "discussions" with EDS on the proposed accelerated deployment schedule; and (3) omitting from consideration certain department evaluation team members' concerns about EDS's staffing level for operation and maintenance of the DTS. *Matter of Electronic Data Systems Corporation*, B-280133; B-280133.2 (Sept. 3, 1998).

¹¹ IOC represents the first attainment of the minimum capability to effectively employ a system of approved specific characteristics.

paid a one-time deployment fee of \$20 for each user and a transaction fee of \$5.27 for each travel voucher processed. The estimated cost for the contract was approximately \$264 million. Prior to commencing the work, BDM was acquired by TRW Inc. (TRW), which became the contractor of record.

The operational assessment of DTS at Whiteman Air Force Base, Missouri, from October through December 2000, disclosed serious failures. For example, the system's response time was slower than anticipated, the result being that it took longer than expected to process a travel order/voucher. Because of the severity of the problems, in January 2001, a joint memorandum was issued by the Under Secretary of Defense (Comptroller) and the Deputy Under Secretary of Defense (Acquisition, Technology & Logistics) directing a functional and technical assessment of DTS. The memorandum also directed that a determination be made of any future contract actions that would be necessary, based on the assessment results. In July 2001, the Under Secretary of Defense (Comptroller) and the Under Secretary of Defense (Acquisition, Technology & Logistics) approved proceeding with the DTS program and restructuring the contract with TRW.

The TRW contract was restructured through a series of contract modifications which were finalized on March 29, 2002. The Government agreed to provide TRW consideration in the amount of about \$44 million for restructure of the contract. TRW agreed to release and discharge the Government from liability and agreed to waive any and all liabilities, obligations, claims and demands related to or arising from its early performance efforts under the original contract. Northrop Grumman subsequently acquired TRW in December 2002, and, as such, is now the contractor of record.

The first deployment of DTS was at Ellsworth Air Force Base, South Dakota, in February 2002. As of September 2005, DTS has been deployed to approximately 5,600 locations. The department currently estimates that DTS will be fully deployed to all 11,000 locations by the end of fiscal year 2006, with an estimated total development and production cost of approximately \$474 million. Of this amount, the contract for the design, development, and deployment of DTS, as restructured is worth approximately \$264 million—the same amount as specified in the original contract that was agreed to with BDM. The remaining costs are DOD internal costs associated with areas such as the operation of the program management office, the voucher payment process, and management of the numerous CTO contractors.

Previously Reported DOD Travel Issues

Over the past several years, we have reported pervasive weaknesses in DOD's travel program. These weaknesses have hindered the department's operational efficiencies and have left it vulnerable to fraud, waste, and abuse. These weaknesses are highlighted below.

- On the basis of statistical sampling, we estimated that 72 percent of the over 68,000 premium class airline tickets DOD purchased for fiscal years 2001 and 2002 were not properly authorized and that 73 percent were not properly justified. During fiscal years 2001 and 2002, DOD spent almost \$124 million on airline tickets that included at least one leg of the trip in premium class—usually business class. Because each premium class ticket costs the government up to thousands of dollars more than a coach class ticket, unauthorized premium class travel resulted in millions of dollars of unnecessary costs annually.¹²
- Because of control breakdowns, DOD paid for airline tickets that were neither used nor processed for refund—amounting to about 58,000 tickets totaling more than \$21 million for fiscal years 2001 and 2002. DOD was not aware of this problem before our audit and did not maintain any data on unused tickets. Based on limited data provided by the airlines, it is possible that the unused value of the fully and partially unused tickets that DOD purchased from fiscal year 1997 through fiscal year 2003 with DOD's CBA could be at least \$100 million.¹³
- We found that DOD sometimes paid twice for the same airline ticket—first to the Bank of America for the monthly DOD credit card bill, and second to the traveler, who was reimbursed for the same ticket. Based on our mining of limited data, the potential magnitude of the improper payments was 27,000 transactions for over \$8 million. For example, DOD paid a Navy GS-15 civilian employee approximately \$10,000 for 13 airline tickets he had not purchased.¹⁴

Ongoing DTS Testing Remains a Concern

DTS development and implementation have been problematic, especially in the area of requirements and testing key functionality to ensure that the system would perform as intended. Given the lack of adherence to such a key practice, it is not surprising that critical flaws have been identified after deployment, resulting in significant schedule slippages. As originally envisioned, the initial deployment of DTS was to commence 120 days after

¹² GAO-04-88 and GAO-04-229T.

¹³ GAO-04-398.

¹⁴ GAO-04-576.

the effective date of the contract award in September 1998, with complete deployment to approximately 11,000 locations by April 2002. However, that date has been changed to September 2006—a slippage of over 4 years. Our recent analysis of selected requirements disclosed that the testing of DTS is not always adequate prior to updated software being released for use by DOD personnel. System testing is a critical process utilized by organizations to improve an entity's confidence that the system will satisfy the requirements of the end user and will operate as intended. Additionally, an efficient and effective system testing program is one of the critical elements that need to be in place in order to have reasonable assurance that an organization has implemented the disciplined processes¹⁵ necessary to reduce project risks to acceptable levels in software development. In one key area, our results to date have identified instances in which the testing of DTS was inadequate, which precluded DOD from having reasonable assurance that DTS displayed the proper flights and airfares. This occurred because the PMO-DTS failed to ensure that the appropriate system interfaces were tested. Additionally, because a system requirement covering this had never been defined, there was not reasonable assurance that DTS displayed the accurate number of flights and related airfares within a given flight window.¹⁶ As a result of these two weaknesses, DOD travelers might not have received accurate information on available flights and airfares, which could have resulted in higher travel costs. Specific details on these two weaknesses are discussed below.

- The DOD tests for determining whether DTS displayed the proper flights and airfares did not provide reasonable assurance that the proper (1) flights were displayed and (2) airfares for those flights were displayed. DTS uses a commercial product to obtain information from the database that contains the applicable flight and airfare information (commonly referred to as a Global Distribution System or [GDS]). In testing whether DTS displayed the proper flights and airfares, the information returned from the commercial product was compared with the information displayed in DTS and was found to be in agreement. However, the commercial product did not provide all of the appropriate flights or

¹⁵ Disciplined processes for software development and implementation include a wide range of activities, including project planning and oversight, requirements management, risk management, and testing.

¹⁶ A flight window is the amount of time before and after a specified time and is used for determining the flights that should be displayed. For example, if the flight window is 4 hours and estimated departure time is 9:00 a.m., then the flight window that is used for displaying available flights is from 7:00 a.m. to 11:00 a.m.

airfares to DTS that were contained in the GDS. Since the PMO-DTS neither performed an end-to-end test¹⁷ nor made sure that the information returned from this commercial product was in agreement with the information contained in the GDS, it did not have reasonable assurance that DTS was displaying the proper flights and airfares information to the users. According to DOD officials, this system weakness was detected by users complaining that DTS did not display the proper flights and airfares.

- DOD officials stated that prior to the August 2005 system update, DTS should have displayed 12 flights, if that many flights were available, within a flight window.¹⁸ DTS program officials and Northrop Grumman personnel acknowledged that this particular system requirement had never been tested because DOD failed to document the requirement until January 2005. Therefore, DOD did not have reasonable assurance that DTS displayed the required number of flights and related airfare information. The inability to ensure that the proper number of flights was displayed could have caused DOD to incur unnecessary travel cost. As we have noted in previous reports, requirements that are not defined are unlikely to be tested.¹⁹

PMO-DTS officials acknowledged that these two problems have been ongoing since the initial implementation of DTS. PMO-DTS officials have stated that the two problems were corrected as part of the August 2005 DTS system update. We are in the process of verifying whether the actions taken by DOD will correct the problems.

DTS Has Corrected Some Previously Reported Travel Problems

Of the four previously reported DOD travel problems, DTS has corrected one of the problems while the others remain. However, the remaining problems are not necessarily within the purview of DTS and may take departmentwide action to fully address.

¹⁷ The purpose of end-to-end testing is to verify that a defined set of interrelated systems, which collectively support an organizational core business area or function, interoperate as intended in an operational environment.

¹⁸ Prior to the August 2005 system update, DTS used a 4-hour flight window for domestic flights and a 12-hour flight window for foreign flights. The current window is 12-hours for domestic flights and 24-hours for foreign destinations.

¹⁹ GAO, *Indian Trust Funds: Challenges Facing Interior's Implementation of New Trust Asset and Accounting Management System*, GAO/T-AIMD-99-238 (Washington, D.C.: July 14, 1999).

Improper Premium Class Travel

While DOD has taken actions to improve existing guidance and controls related to premium class travel, including system changes in DTS, we identified instances in which unauthorized premium class travel continues. In November 2003, the Under Secretary of Defense (Personnel and Readiness) formed a task force to address our prior recommendations²⁰ that focused on three major areas: (1) policy and controls of travel authorization, (2) ticket issuance and reporting, and (3) internal control and oversight. Subsequently, several policy changes were made to improve the control and accountability over premium class travel. For example, the approval level for first class travel was elevated to a three-star general and for business class travel to a two-star general or civilian equivalent. Other changes included strengthening the description of circumstances when premium class travel may be used to more clearly show that it is an exceptional circumstance and not a common practice. In all cases, approving officials must have their own premium class travel approved at the next level. These changes also set a broad policy that CTOs are not to issue premium class tickets without proper authorization. In September 2004, the PMO-DTS made system changes to DTS that blocked seven fare codes that were considered to be premium class fare codes from being displayed or selected by the traveler through DTS. According to the PMO-DTS, the airline industry does not have standardized fare code indicators to identify first class, business class, and economy class. Subsequently, DOD found that economy class fare codes were being blocked using the seven codes and in May 2005, reduced the list to three codes.

Despite these various changes in policy and to DTS, we continue to identify instances in which premium class travel is occurring without the proper authorization. To date, our preliminary analysis disclosed at least 68 cases that involved improperly approved premium class travel.²¹ In one case, we found that a Department of the Army civilian employee (GS-12) flew from Columbia, South Carolina via Atlanta, Georgia to Gulf Port, Mississippi to attend a conference. On the return trip, one leg included

²⁰ GAO-04-88.

²¹ To assess the use of premium class travel, we obtained databases from Bank of America and the PMO-DTS, which provided information on the actual travel transactions and traveler information for the period October-December 2004. The Bank of America database contained all DOD transactions for the first quarter of fiscal year 2005, and the PMO-DTS database contained all vouchers processed by DTS for the same time period. We identified potentially 419 cases that could involve premium class travel. We are still in the process of reviewing information requested from DOD to ascertain if there are other cases of improper premium class travel.

first class accommodations. From our review and analysis of Bank of America data and the travel voucher, DOD paid \$1,107 for the airfare. The cost of a GSA city pair round trip airfare was \$770. According to information provided by the Army, the traveler informed the Army that he was meeting another traveler at the destination and they were going to share a rental car and there were no seats available on the flight the other traveler had booked. Therefore, the individual selected a flight arriving as close as possible to the time of the traveler he was meeting. This is not a valid justification, and the premium class fare was not approved by the appropriate official. Additionally, the premium class fare occurred on the return flight. Furthermore, based upon our review to date, none of the 68 cases that involved improper premium class travel had the required approval.

Unused Airline Tickets

DTS still does not have the capability to determine whether a traveler does not use all or a portion of an airline ticket. To address this problem, DOD directed that all new CTO contract solicitations require CTOs to prepare that unused ticket reports which identify tickets that were not used within a specified time period, usually 30 days past the trip date, so that they can be cancelled and processed for refund. Additionally, the various DOD components were directed to modify existing CTO contracts to require the CTOs to process refunds for unused airline tickets. At the five locations we visited²² we found that the Army and Air Force CTOs prepared daily and monthly reports. The Navy CTOs produced the unused ticket report on a weekly basis, and the Marine Corps CTOs prepared the report monthly. However, according to DOD officials, this requirement has not yet been implemented in all the existing CTO contracts.

**Duplicate Payments
Related to Centrally Billed
Accounts (CBA).**

Our preliminary observations indicate that DTS was designed to ensure that tickets purchased through the CBA cannot be claimed on the individual's travel voucher as a reimbursement to the traveler. As part of our statistical sample discussed later, we found 14 travel vouchers in which an airline ticket purchased with the CBA was included on the voucher; however, the traveler did not receive reimbursement for the claim.

²² Aberdeen Proving Ground, Md.; Buckley Air Force Base, Colo.; Defense Logistics Agency, Va.; Headquarters Marine Corps, Va.; and Naval Operations Headquarters, Va.

Accuracy of Travel Vouchers

DFAS has previously reported problems with the accuracy of DTS travel payments. For the first quarter of fiscal year 2004, DFAS reported a 14 percent inaccuracy rate in the DTS travel payments of airfare, lodging, and meals, and incidental expenses. Our preliminary analysis of 170 travel vouchers²³ disclosed that for the two attributes that are directly related to the operation of the DTS system—computation of lodging reimbursement and meals and incidental expenses (per diem)—the DTS calculations were correct in all instances on the basis of the information provided by the traveler. However, we continue to identify numerous instances in which employee errors led to inaccurate reimbursements. In some cases, errors occurred because incorrect data were entered into DTS by the traveler. In other cases, the reviews by the AOs were inadequate. In regard to the AO reviews, our preliminary analysis indicates that approximately 66 travel vouchers or 39 percent were paid even though there was not reasonable assurance that the amount of the reimbursement was accurate. More specifically, 49 of 66 travel vouchers lacked adequate receipts for the amounts claimed. Receipts are required for all expenses of \$75 or more and for lodging, regardless of the amount. However, for the 49 vouchers, we saw no evidence that the AO was provided with the appropriate receipts by the traveler. In one case, the traveler was reimbursed for expenses claimed in excess of \$500, even though none of the required receipts were available for review and approval by the AO. According to DOD regulations, “the AOs signature on the expense report certifies that the travel was taken, that the charges are reasonable. . .and that the payment of the authorized expenses is approved.” While the signature of the AO signifies that the payment is approved, it falls short of ensuring that amounts claimed are reasonable in the cases in which receipts for airfare and lodging are not provided. Until the overall review process is improved, travel payment problems will continue to occur.

DTS Faces Challenges in Achieving the Goal of a Standard DOD Travel System

DOD’s goal of making DTS the standard travel system within the department depends upon the development, testing, and implementation of system interfaces with the myriad of related DOD systems, as well as private-sector systems such as the system used by credit card company that provides DOD military and civilian employees with travel cards. While DOD has developed 32 interfaces, the PMO-DTS is aware of at least 17

²³ We randomly selected 173 travel vouchers for detail review, but at the time of our review 3 vouchers had not yet been completed and submitted for review. The selected vouchers were drawn from the first quarter of fiscal year 2005 (October-December 2004).

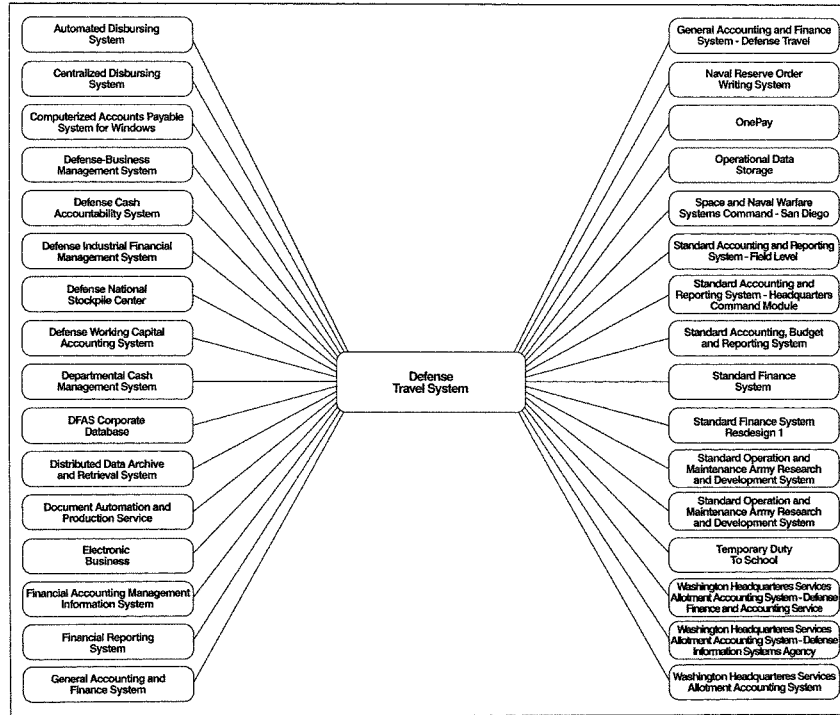
additional DOD business systems for which interfaces must be developed. To date, the development and testing of the interfaces has cost DOD reportedly over \$30 million. Developing the interfaces is time consuming and costly. Additionally, the underutilization of DTS at the sites where it has been deployed is also hindering the department's efforts to have a standard travel system throughout the department. Furthermore, the underutilization impacts the estimated savings that are to be derived from the use of DTS departmentwide.

**Interfaces Are Critical to
Implementing an End-to-
End System**

One of DOD's long-standing problems has been the lack of integrated systems. To address this issue and minimize the manual entry of data, interfaces between existing systems must be developed to provide the exchange of data that is critical for day-to-day operations. For example, DTS needs to know before permitting the authorization of travel that sufficient funds are available to pay for the travel—information that comes

from a non-DTS system—and once the travel has been authorized, another system needs to know this information so that it can record an obligation and provide management and other systems with information on the funds that remain available. Interfaces are also needed with private-sector systems, such as the credit card company that provides DOD personnel with travel cards. Figure 1 illustrates the numerous DTS system interfaces that have already been developed and implemented with the department's business systems.

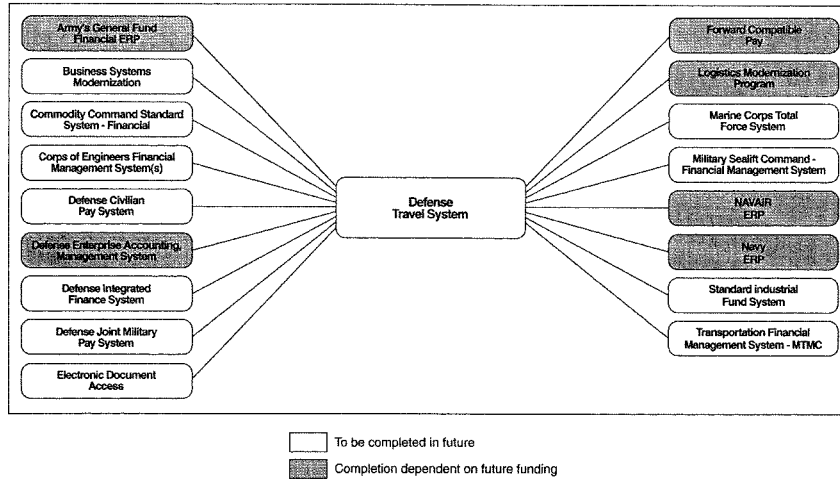
Figure 1: DTS System Interfaces Operating Today



Source: GAO analysis based on data provided by PMO-DTS.

Figure 2 shows the DTS system interfaces that must be developed in the future with the department's business systems.

Figure 2: Future DTS System Interfaces That Need to be Developed



□ To be completed in future
 ■ Completion dependent on future funding

Source: GAO analysis based on data provided by PMO-DTS.

While DOD was able to develop and implement the interfaces with the 32 systems, the development of each remaining interface will present the PMO-DTS with challenges. For example, the detailed requirements for each of the remaining interfaces have not yet been defined. Such requirements would define (1) what information will be exchanged and (2) how the data exchange will be conducted. This is understandable in some cases such as the Army General Fund Financial enterprise resource planning (ERP),²⁴ which is a relatively new endeavor within the department and it will be some time before DOD is in position to start

²⁴ An ERP solution is an automated system consisting of multiple, integrated functional modules that perform a variety of business-related tasks such as payroll, general ledger accounting, and supply chain management.

development of the interface. Additionally, the development of the DTS interfaces depends on other system owners' achieving their time frames for implementation. For example, the Navy ERP is one of the DOD systems with which DTS is to interface and exchange data. Any difficulties with the Navy's ERP implementation schedule could adversely affect DTS's interface testing and, thereby, result in a slippage in the interface being implemented. The above two factors also affect DTS's ability to develop reliable cost estimates for the future interfaces.

**Underutilization of DTS
Affects Estimated Savings**

Another challenge for DTS in achieving its goal of a standard travel system within DOD is the continued use of the existing legacy travel systems, which are owned and operated by the various DOD components. Currently, at least 31 legacy travel systems are continuing to be operated within the department. As we have previously reported, because each DOD component receives its own funding for the operation, maintenance, and modernization of its own systems, there is no incentive for DOD components to eliminate duplicative travel systems.²⁶ We recognize that some of the existing travel systems, such as the Integrated Automated Travel System version 6.0, cannot be completely eliminated because it performs other functions, such as permanent change of station travel claims that DTS cannot process. However, in other cases, the department is spending funds on duplicative systems that perform the same function as DTS. The funding of multiple systems that perform the same function is one of the reasons why the department has 4,150 business systems.²⁶ Since these legacy systems are not owned and operated by DTS, the PMO-DTS does not have the authority to discontinue their operation. This is an issue that must be addressed from a departmentwide perspective.

Because of the continued operation of the legacy systems at locations where DTS has been fully deployed, DOD components pay DFAS higher processing fees for processing manual travel vouchers as opposed to processing the travel vouchers electronically through DTS. According to an April 13, 2005, memorandum from the Assistant Secretary of the Army (Financial Management and Comptroller), DFAS was charging the Army \$34 for each travel voucher processed manually and \$2.22 for each travel voucher processed electronically—a difference of \$31.78. The

²⁶ GAO, *DOD Business Systems Modernization: Billions Being Invested without Adequate Oversight*, GAO-05-381 (Washington, D.C.: Apr. 29, 2005).

²⁶ GAO-05-381.

memorandum further noted that for the period October 1, 2004, to February 28, 2005, at locations where DTS had been deployed, the Army paid DFAS approximately \$6 million to process 177,000 travel vouchers manually—\$34 per travel voucher, versus about \$186,000 to process 84,000 travel vouchers electronically—\$2.22 per voucher. Overall, for this 5-month period, the Army reported that it spent about \$5.6 million more to process these travel vouchers manually as opposed to electronically using DTS.

The military services have recognized the importance of utilizing DTS to the fullest extent possible. The Army issued a memorandum in September 2004 directing each Army installation to fully disseminate DTS to all travelers within 90 to 180 days after IOC at each installation. The memorandum included a list of sites that should be fully disseminated and the types of vouchers that must be processed through DTS. Furthermore, the memorandum noted that travel vouchers that could be processed in DTS should not be sent to DFAS for processing. In a similar manner, in February 2005, the Marine Corps directed that upon declaration of DTS's IOC at each location, commands will have DTS fully fielded within 90 days and will stop using other travel processes that have the capabilities of DTS. The Air Force issued a memorandum in November 2004 that stressed the importance of using DTS when implemented at an installation. The Navy has not issued a similar directive.

Despite these messages, DTS remains underutilized by the military services. The military services, and in particular, the Army, have taken steps to monitor DTS's usage, but others, such as the Marine Corps, do not capture the data necessary to assess the extent to which DTS is being underutilized. The lack of pertinent data hinders management's ability to monitor its progress toward the DOD vision of DTS as the standard TDY system.

Concluding Remarks

Overhauling DOD's financial management and business operations—one of the largest and most complex organizations in the world—represents a daunting challenge. DTS, intended to be the department's end-to-end travel management system, illustrates some of the obstacles that must be overcome by DOD's array of transformation efforts. With over 3.3 million military and civilian personnel as potential travel system users, the sheer size and complexity of the undertaking overshadows any such project in the private sector. Nonetheless, standardized business systems across the department will be the key to achieving billions of dollars of annual savings through successful DOD transformation. As we have previously

reported, because each DOD component receives its own funding for the operation, maintenance, and modernization of its own systems, nonintegrated, parochial business systems have proliferated—4,150 business systems throughout the department by a recent count. The elimination of “stove-piped” legacy systems and cheaper electronic processing, which could be achieved with the successful implementation of DTS, are critical to realizing the anticipated savings.

In closing, we commend the Subcommittee for holding this hearing as a catalyst for improving the department’s travel management practices. We also would like to reiterate that following this testimony, we plan to issue a report that will include recommendations to the Secretary of Defense aimed at improving the department’s implementation of DTS.

Mr. Chairman and Members of the Subcommittee, this concludes our prepared statement. We would be pleased to respond to any questions you may have.

Appendix I: Department of Defense Rights to Property in the Defense Travel System

DOD has taken several steps to address its needs for the use of intellectual and tangible property in the DTS, but it has not yet completed the exercise of the rights it determined necessary for long-term development and implementation of the DTS. While the original contract awarded to BDM did not specifically address intellectual property rights, TRW, as the successor to BDM, acquired in 2001 perpetual rights to use three key commercial software programs to accommodate technology decisions that necessitated modifying some software for use in DTS. When DOD and TRW agreed to restructure the DTS contract, they modified the contract to include several key provisions that provided DOD with rights to various categories of intellectual and tangible property. As set out below, DOD officials told us that they have yet to complete the exercise of some of DOD's intellectual property rights and to secure title to hardware necessary to meet its long-term acquisition needs, but those steps are in progress.

Property Rights Under the Original DTS Contract

The original DTS contract awarded in 1998 did not specifically address the Government's intellectual property rights because the contract was structured primarily as a fixed-priced travel services contract rather than as a government-funded development effort. As such, the contractor was responsible for securing the necessary intellectual property rights in the commercial software and other products being used, except for those pertaining to existing DOD systems or used by DOD under other agreements.¹ The fixed price for the services would include the cost to the contractor to obtain or develop the necessary software, hardware, and technical data² in order to provide the required travel services to DOD.

According to DOD officials, DOD and TRW determined in 2001 that three key commercial software programs used in DTS would not meet DOD's requirements without modification.³ Accordingly, in September 2001, TRW executed a license agreement with the firm holding the copyright to the

¹ Some software and technical data on existing DOD systems to be connected to DTS were provided to the contractor as government-furnished equipment or information.

² "Technical data" means recorded information, regardless of the form or method of the recording, of a scientific or technical nature (including computer software documentation). The term does not include computer software or data incidental to contract administration, such as financial and/or management information.

³ In September 2001, DOD and TRW agreed to Modification No. 4 to Task Order No. 10 to require software development work and, under this modification, TRW was to provide DOD with a perpetual license for DTS software.

software programs⁴ for TRW to use in developing and deploying DTS within DOD.⁵ The firm charged TRW with a one-time fee for the rights under the agreement.

Under the license agreement, TRW obtained a perpetual and exclusive license to use the three software programs and related software documentation to develop and deploy software and services for use in the DTS. This license includes the authority to modify the source code to one of the software programs. The license agreement authorizes the assignment of TRW's rights under the agreement to DOD for the DTS project. The license agreement does not expressly condition such an assignment on payment of a fee. According to DOD officials, DOD has approached Northrop Grumman Space & Mission Systems Corp. (Northrop Grumman), as the successor to TRW, requesting assignment of those rights to DOD. In a September 22, 2005, letter to the DTS contracting officer, Northrop Grumman represented that they would assign its rights under the license agreement to DOD at the conclusion of the contract, if requested.

The license agreement also provides that Northrop Grumman may sublicense its rights under the agreement to other entities in support of DTS. DOD officials told us that they believe Northrop Grumman's assignment of these rights to DOD would include the authority for DOD to sublicense the rights to other DOD contractors for use in providing services related to DTS. The DOD officials noted that they are in the process of modernizing the DTS application to include a potential complete replacement of the licensed software with custom developed software. The officials stated that they are still evaluating whether an assignment of rights and issuance of any sublicenses actually would be needed in light of these changes.

Property Rights Under the Restructured Contract

In the restructuring of the DTS contract, DOD and TRW agreed to address a number of intellectual and tangible property categories under the contract that DOD officials told us would satisfy DOD's long-term DTS

⁴ The firm represented that it holds the copyright and title to one commercial software program and acted as an authorized licensee with respect to the other software programs and certain related data.

⁵ The license agreement also authorized limited use of the software, source code and documentation on similar terms by the U.S. Treasury Department and included terms for use of the software and executable code by non-DOD federal government entities under the authority of "the Economy Act."

development and implementation plans. The restructured contract incorporated several standard DOD intellectual property rights clauses, but DOD is still evaluating ownership rights related to key hardware used in the DTS.

The restructured contract incorporates standard DOD intellectual property rights clauses for a system being developed at government expense and it specifically gives DOD perpetual rights to DTS software. The perpetual rights for different categories of intellectual property generally depend upon the source of the funding of their development. In particular, the contract requires Northrop Grumman to "provide a perpetual license for DOD use worldwide for DTS software" in accordance with certain standard clauses or in accordance with standard commercial terms for commercial software.⁶ Also, the contract incorporates a clause that requires Northrop Grumman to grant or obtain for the government royalty free, world-wide, nonexclusive, irrevocable license rights in technical data.⁷ Further, these clauses include provisions that permit Northrop Grumman to assert restrictions on the government's use, release or disclosure of technical data and computer software, depending upon the funding of their development.⁸ For commercial software used in the DTS, Northrop Grumman has asserted restrictions applicable to commercial software licenses. Some of the licenses Northrop Grumman obtained for use of commercial software may be neither perpetual nor assignable to DOD, but DOD officials told us that this does not cause risk to the project since there are available alternative methods to acquire similar licenses. Table 1 sets out DOD's rights in these categories. Finally, the contract incorporated a standard clause governing restrictions DOD may place on information it provides to Northrop Grumman for use under the contract.⁹

⁶ Specifically, these rights must be in accordance with Defense Federal Acquisition Regulation Supplement (DFARS) clauses 252.227-7014, *Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation*, 252.227-7019, *Validation of Asserted Restrictions - Computer Software*, and 252.227-7037, *Validation of Restrictive Markings*, or consistent with publicly available licenses for commercial computer software and documentation.

⁷ DFARS clause 252.227-7013, *Rights in Technical Data - Noncommercial Items*.

⁸ DFARS clauses 252.227-7013 and 252.227-7014.

⁹ DFARS clause 252.227-7025, *Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends*. This clause was added to the contract in June 2002.

Table 1: DOD Rights to Intellectual Property Under the DTS Contract

Category	Intellectual Property in DTS	DOD Rights
<i>Noncommercial Technical Data – Government funded</i>	All technical data delivered to DOD under the DTS contract	Perpetual Unlimited Rights ^a
<i>Computer Software & Documentation</i>		
Noncommercial – Government Funded	Software developed under Task Order Numbers 10, 18, 20, and 26	Perpetual Unlimited Rights
Commercial – Privately Funded (excluding 3 key programs discussed above)	Several dozen software programs	Northrop Grumman has restricted rights ^b for use in DTS as set out in individual commercial licenses ^c

Source: GAO analysis based upon information provided by and discussions with the PMO-DTS.

^a“Unlimited rights” means the government’s rights to use computer software or technical data in any way and to authorize others to do so.

^b“Restricted rights” means, generally, the right to use the software on one computer at a time. TRW has more liberal rights than restricted rights in some of these programs.

^cAccording to DOD officials, Northrop Grumman has obtained perpetual and assignable licenses for only some of these programs and DOD intends to assess its needs and alternative acquisition methods available for all commercial software as part of its long-term development and implementation plans.

The restructured contract requires Northrop Grumman to provide all hardware (and other equipment) necessary to deliver services under the contract, but DOD officials told us that they are discussing delivery schedules and ownership rights to hardware items, principally configuration items. In a September 23, 2005, letter to the DTS contracting officer, Northrop Grumman represented that they would assign title to certain hardware at the conclusion of the contract, if requested. Finally, DOD has leased some hardware items necessary to interface with the airline Global Distribution Systems and it will need to evaluate the terms of those leases.

Appendix II: Scope and Methodology

To determine if the Department of Defense (DOD) effectively tested key Defense Travel System (DTS) functionality associated with flights and airfares, we reviewed the applicable requirements and the related testing prior to the August 2005 release to determine if the desired functionality was effectively implemented.

To determine if DTS will correct the problems previously identified with DOD travel, we analyzed past GAO reports and testimonies, selected Defense Finance and Accounting Service (DFAS) reports, and DOD congressional testimonies. In this regard, we focused on how DTS addresses issues related to premium class travel, unused tickets, and centrally billed accounts. We also randomly sampled 170 travel vouchers¹ to ascertain if some of the problems previously reported upon by DFAS have been resolved. To be included within the selected sample, the travel vouchers had to be for trips that were in DTS and for travel started on or after October 1, 2004, and ended on or before December 31, 2004. We have not yet finalized our projections for the sample. To assess the use of premium class travel, we obtained databases from Bank of America and the Project Management Office-Defense Travel System (PMO-DTS), which provided information on the actual travel transactions and traveler information for the period October-December 2004. The Bank of America's database contained all DOD transactions for the first quarter of fiscal year 2005, and the PMO-DTS database contained all vouchers processed by DTS for the same time period. We removed all transactions that were not specifically airline charges, such as rail charges and commercial travel office fees, and then selected all fare codes that corresponded to the potential issuance of a premium class ticket. This resulted in 419 instances in which a premium class ticket could have been issued. We have not finalized our analysis.

To identify some of the challenges confronting the department in making DTS the department's standard travel system, we discussed with PMO-DTS officials their implementation strategy and reviewed past GAO reports and testimonies related to the department's efforts to improve the accuracy and reliability of the information in its business systems.

¹ We randomly selected 173 travel vouchers for detail review, but at the time of our review 3 vouchers had not yet been completed and submitted for review.

We briefed DOD officials on the contents of this testimony. We assessed the reliability of the DOD data we used for our preliminary evaluation by (1) performing electronic testing of required data elements, (2) reviewing existing information about the data and the system that produced them, and (3) interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purpose of this testimony. We performed our audit work from October 2004 through September 2005, in accordance with U.S. generally accepted government auditing standards.

To describe DOD's property rights in the DTS we reviewed the DTS contract, applicable acquisition regulations, DOD intellectual property guidance, key DTS license agreements, and written responses from PMO-DTS to our questions, and we met with PMO-DTS and contracting officials and with their legal counsel.

Appendix III: GAO Contacts and Acknowledgments

For future information about this testimony, please contact McCoy Williams at (202) 512-6906 or williams1@gao.gov or Keith A. Rhodes at (202) 512-6412 or rhodesk@gao.gov.

Our contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this testimony. In addition to the above contacts, the following individuals made key contributions to this testimony: Darby Smith, Assistant Director; J. Christopher Martin, Senior Level Technologist; Beatrice Alf; Francine DelVecchio; Francis Dymond; Thomas Hackney; Gloria Hernandezsaunders; Wilfred Holloway; Jason Kelly; Sheila Miller; Robert Sharpe; Patrick Tobo; and Adam Vodraska.

For Official Use Only
Until Released by the
Senate Permanent Subcommittee
On Investigations

STATEMENT OF
MR. ZACK E. GADDY
DIRECTOR
DEFENSE FINANCE AND ACCOUNTING SERVICE

BEFORE THE PERMANENT
SUBCOMMITTEE ON INVESTIGATIONS

UNITED STATES SENATE

ON

“WHETHER THE DEFENSE TRAVEL SYSTEM (DTS) IS A COST EFFECTIVE
SOLUTION FOR DOD’S TRAVEL NEEDS”

SEPTEMBER 29, 2005

For Official use only
Until released by
Senate Permanent
Subcommittee on Investigations

Chairman Coleman, Distinguished Members of the Subcommittee, my name is Zack Gaddy, the Director of the Defense Finance and Accounting Service (DFAS). Thank you for this opportunity to discuss the Defense Travel System (DTS), a seamless integrated computer-based travel and financial system.

The DTS improves accuracy, financial management, accountability and record keeping for temporary duty travel orders, tickets and approximately 5.6 million vouchers processed each year by the Active, Guard, Reserve, and civilian members of the Department of Defense (DoD). It creates the travel order; authorizes the travel; generates the traveler's reservations; creates a commitment and obligation of funds in DoD financial systems; accepts and computes the traveler's claim for reimbursement; accepts the authorizing official's approval of the travel claim and generates disbursements against all approved travel claims. Disbursements for reservations, the traveler's charge card and traveler entitlements are paid through electronic fund transfers within an average of 3-5 days of receipt of the traveler's claim for reimbursement. Additionally, DTS archives the entire travel record from travel order creation to disbursement including the traveler's and authorizing official's digital signatures.

Although there are significant benefits that will accrue from full implementation of DTS, it does not solve all travel management issues and the Department is continuing to explore ways to take advantage of emerging technology and adjust to the dynamics of our personnel environment. It provides a tool for management of premium travel and unused tickets, but does not preclude the problems. The large deployments of guard and reserves to Afghanistan and Iraq highlighted a need for group travel during mobilization, not included in the DTS requirements. Permanent change of duty station is another area that was not fully incorporated in the current requirements. Another area that requires enhancement is the usage rate of DTS at fielded sites. The change to DTS is a more significant business process change than had been anticipated, so we are challenged to find ways to increase usage to obtain full benefit of the program.

The DTS increases process efficiency and produces substantial cost savings for both the user and the American taxpayer. The DTS is a Web-based, end-to-end system that uses two-way interfaces and information flows to communicate with over 32 DoD accounting, disbursing and archiving systems. The DTS includes secure measures to safeguard information and is available 24-hours a day, 7-days a week, 52 weeks a year.

Presently, DTS is operational at 5,628 sites supporting 685,000 DoD employees and has successfully processed over 1 million authorizations approving travel orders and 872,000 travel claim vouchers. When fully implemented in FY 2007, it will be operational at more than 11,000 sites and support all of DoD's 3.2 million members. It will process an annual average of approximately 6.8 million travel authorizations approving travel orders and 5.6 million travel claim vouchers.

The concept for DTS was created when the National Performance Review called for reengineering of the DoD travel system in September 1993. In 1995 DoD established the Program Management Office Defense Travel System (PMO-DTS) as a special interest program to reengineer DoD travel processes to achieve greater efficiency by eliminating multiple DoD temporary duty travel systems and processes that are independent, redundant and include manual

processes. This complex architecture of systems and processes is costly to maintain, unresponsive to customer needs, untimely for reimbursement to vendors and travelers, and presents several management challenges for control of fraud, waste and abuse.

To consolidate travel processes through an automated solution, the PMO-DTS released a Request for Proposal in June 1997. An eight-year contract (five-year base with three one year renewal options) with an estimated value of \$263.7 million was awarded in 1998 to BDM as BDM was being acquired by TRW. Northrop Grumman Mission Systems subsequently acquired TRW in 2002.

The DTS envisioned a combination of commercial-off-the-shelf software packages and government developed software to integrate authorization, reservation, vouchering, accounting and disbursing for temporary duty travel. The challenge of integrating 32 systems with commercial travel services and implementing the emerging policy requirement for digital signature and public key infrastructure was more complex than originally envisioned. The assumptions used in the original estimate were overly optimistic and resulted in projected deployment to be completed by FY2001; this date proved to be unrealistic. Several pre-2002 audits and reviews identified the flaws in the assumptions and led the Department to review the entire program to determine whether it was in the best interest of the Department to continue the program. In May 2002, a baseline schedule was established incorporating more realistic assumptions and established FY2007 as the deployment date.

From 1997 through 2001, three Economic Analyses (EAs) were performed and published. The analyses projected steady state savings based on tangible savings. Tangible savings are based principally on projected DTS cost savings derived from reduced costs for voucher processing, centrally billed account reconciliation and commercial travel office fees. The September 1997 EA anticipated tangible savings at approximately \$90 million annually beginning in FY 2003. The December 1998 EA estimated tangible savings of approximately \$99.6 million annually beginning in FY 2004 and the January 2001 EA estimated tangible savings of approximately \$65.6 million annually beginning in FY 2006. Despite variability in the steady state cost projections, attributed to delays in DTS usage, each economic analysis justified the Department's continued investment in DTS.

During this period several critical reports and reviews regarding the management of the program were issued. The Department recognized the challenges and complexity of the program and concurred with a DoD Inspector General recommendation that DTS be managed as a Major Automated Information System (MAIS), Acquisition Category (ACAT) 1AM program. An ACAT 1AM program is a MAIS that impacts multiple DoD components. It is estimated to have program costs exceeding \$32 million in any single year, total program costs in excess of \$126 million, or have total life-cycle costs in excess of \$378 million. Further, a MAIS must be designated by the Assistant Secretary of Defense for Networks and Information Integration (ASD(NII)).

In May of 2002, DTS was designated as an ACAT 1AM program with the ASD(NII) as the principle decision authority. As a MAIS, the DTS program's progress and challenges were reviewed through a rigorous and disciplined method with oversight at the highest levels across

DoD. The DoD's Office of Program Analysis and Evaluation (PA&E), was an active participant in the MAIS review and surfaced all of the previously documented concerns for consideration. The PA&E also continues to monitor DTS through the acquisition and budget review process.

DoD determined the economic viability of DTS based on a fourth EA published in July 2003, and an addendum in September 2003, and established a program baseline. This EA supported the continuation of DTS as an ACAT 1AM program and adjusted the steady state savings to \$56.4 million per year beginning in FY 2009. During this time, estimated DTS program costs were reduced from \$491.9 million to \$474 million.

An Acquisition Decision Memorandum, issued on December 24, 2003, documented the acquisition designation and the approval to continue the DTS program. It also confirmed that appropriate actions had been taken with respect to the system in the areas of business process reengineering, analysis of alternatives, economic analysis, and performance measures. The DTS program reports cost, performance and schedule in compliance with the Defense Acquisition Executive Summary and has met all reporting requirements. Since designation as an ACAT 1AM program, the DTS program has been managed within cost and schedule and is delivering system performance as planned.

Actual savings from voucher processing in FY 2005 and prior have been over \$22 million. The DFAS average voucher processing rate reduction for FY 2006 is \$36.70 per voucher. Although steady state savings for DTS are not planned until FY 2009, based on the current average voucher volume of 80 thousand vouchers per month, we expect DTS to yield over \$35 million in savings during FY 2006. The centrally billed account reconciliation and reduction in commercial travel office fees are just beginning to accrue. The average centrally billed account reduction is \$20.67 per posting and the reduction in commercial travel office fees for the first consolidated region contract award is \$23.35 per transaction. The fees for other contracts are still being negotiated.

The DTS provides intangible benefits in addition to the direct financial benefits discussed previously. The DTS maintains accountability throughout the travel process, meets all mandated security requirements, tracks every change of every transaction, and identifies the individual who made the change. The Common Access Card (CAC) is the tool that makes the discrete tracking possible. This tracking is important because it provides a positive audit trail for every transaction and affixes legally binding accountability in a more precise manner than the current process that includes a series of paper documents maintained in several locations and posted to several systems. Issues such as potential abuse of premium travel, disposition of unused airline tickets, and other travel process abuses are more visible and auditable than through the existing systems that are not CAC enabled.

Abuse of premium travel has been a recent issue with the Congress due to indications that some travelers had been able to secure first class airline tickets against DoD policy. While DTS does not preclude abuse of premium travel, it does provide a tool to help manage it. The DTS notifies travelers if they are not in compliance with travel policy, including premium travel policy by flagging the document and allowing signature only with a written justification. Travelers can override these policy flags with a written justification. The justification is retained

with the file and is also flagged for the traveler's approving official who has pecuniary responsibility for the travel authorization. This added visibility of DoD policy and any decisions to make exceptions is expected to reduce the instances of unauthorized use of premium travel.

The Congress also recently addressed the issue of unused tickets. While DTS does not solve the issue of unused tickets, it does provide a management tool to better manage it. Non-DTS travel processes use centrally billed accounts managed by someone other than the travelers to pay for tickets. The existence of unused tickets was not being communicated to the account manager in a timely manner. Given the volume of DoD travel, management of unused tickets paid for by the Government is a significant challenge. The DTS charges most airline tickets to the individual travel card accounts, aligning responsibility for resolving any unused tickets with the traveler and provides an incentive to resolve the unused ticket situations in a timely manner. For those using centrally billed accounts, DTS compares and identifies in the record which form of payment was used to prevent duplicate payments.

The DTS contains a flexible budget module that enables organizations to assign travel funds management responsibility directly to those whom have mission responsibility. This feature enhances the ability to match funding to task and know the status of travel budgets in real time. The organization's financial managers can also monitor the overall travel budget status, and take corrective actions prior to problems occurring. The DTS verifies availability of funding in the accounting system at each step of the process, through commitment, obligation, and expenditure of funding, which significantly improves the accountability of the travel processes throughout the Department and eliminates the need for maintaining several separate ledgers and audit processes.

The DTS provides a debt management capability for those who incur debts through the travel process. It provides an audit trail necessary to verify the debt, provides the information in days in contrast to the existing manual processes requiring weeks, and improves debt recovery for the Department.

The DTS enhances the quality of data and the management of travel-related information. Each manual data entry step eliminated by DTS reduces errors and provides an improvement in accountability and a reduction in cost from the elimination of the corresponding need to audit and correct the manual errors. As we fully deploy DTS, the travel workforce will shift from many data entry clerks and auditors to a smaller workforce managing system interfaces and processing exceptions that may occur due to occasional systems interface issues.

The PMO-DTS program objectives include consolidating the Department's 105 Commercial Travel Offices (CTO) contracts managed by 56 different organizations into about 42 contracts managed by one organization. Thirty-one of these contracts are set aside for small businesses. These contracts establish the fee structure for travel agent ticketing services. The fee structure is based on three distinct service methods:

1. DTS, meaning the exclusive use of DTS for travel reservations;

2. DTS Touch, which means that although the request and confirmation of reservations flows through DTS, some additional CTO assistance may be requested via DTS email or phone that supplements DTS basic reservations; and
3. Traditional is initiated by the traveler using a phone or fax to the CTO to make reservations in a traditional manner whereby the traveler then inserts the data back into DTS for authorization, vouchering and archiving.

To date, travelers have purchased more than 370,000 tickets using DTS. In the September 2003 EA, the number of airline tickets issued was considered as a factor in determining the level of support provided by the travel service industry through the CTOs. We estimated that DTS would reduce ticketing costs by 40 percent based on industry benchmarks. The actual difference between DTS rates and Traditional rates under the first consolidated contract is a reduction in cost to the Government of 82 percent or \$23.35 each time DTS is used to purchase a ticket.

The General Services Administration (GSA) hired the Corporate Solutions Group (CSG) to evaluate DTS and other e-Travel services to ensure airfares are compliant with their respective contracts and travel policies. GSA has not issued a final report because a review of the CSG summary report data reveals that CSG's summary conclusions regarding DTS and other eTravel services did not take into account the differences between the vendors' on-line booking engine settings. For example, the DTS settings had a maximum number of 12 flights within a four hour window display while the other eTravel services had various other display settings. The DTS travelers had the ability to specify departure times based on mission requirements to get a display showing flights available two hours before and two hours after departure time. The four hour display window and other query parameters are a customizable feature of DTS, and may be changed based on government travel policy and traveler and Service/Agency feedback. The DTS is also designed to enforce Defense Travel Regulation policy's order of precedence whereby city-pair fares are to be selected first, followed by available Civil Reserve Air Fleet carriers. We continue to modify DTS displays based on user needs and recently implemented a change so that the first display to the traveler is an 12-hour window of city pair carriers and other allowable flights per policy. This change further enforces support to the city pair program first, but allows travelers to pick other allowable flights per the travel regulations.

The Citizens Against Government Waste issued a report on September 28, 2004, echoing concerns raised by the DoD Inspector General and the PA&E. The report also questioned legal aspects about the restructure of the Northrop Grumman Mission Systems contract that were addressed by the Court of Federal Claims in July 2004. The Court stated that it lacked sufficient information to determine whether the contract restructure violated the Competition in Contracting Act (CICA). The Court ruled that even if the contract violated CICA, it was not in the public's interest to upset the contract given the limited time remaining before expiration of the contract and the large amount of money and effort already expended. However, the Court directed DoD to re-compete the CTO portion of the program, which we have since complied with. Other allegations in the report pertaining to costs were based on outdated information.

Since May 2002, when DTS was designated an ACAT 1AM program, it has been subjected to the rigor of a full acquisition review and has met all cost, schedule, and performance criteria set forth by the ASD(NII) in the Acquisition Decision Memorandum. The Government Accountability Office is currently reviewing DTS and is projected to complete their review this fall.

Mr. Chairman, in summary, the DoD is just beginning to see the benefits of the investment in DTS. The system costs and schedule have been stringently managed since its re-designation as MAIS and the savings and non-tangible benefits experienced to date support continued deployment of the system. Significant challenges remain due to the dynamics of the DoD environment and the travel industry, but the benefits we have seen to date support continued deployment of the system with a parallel effort to continually improve the system to take advantage of emerging technology to meet the changing priorities and adjust to the changing DoD environment and the dynamic travel industry.

The Department remains fully committed to providing world class travel processes to support DoD's Active, Reserve, Guard, and civilian members. We remain vigilant to the challenges of implementation and dedicated to the goal of providing a cost effective travel system to DoD. Every DTS transaction saves the Department money and reduces the need for American taxpayer dollars. Mr. Chairman, this concludes my formal remarks. I will be happy to answer any questions the Subcommittee may have. Thank you.

Through
the
Looking Glass
A CAGW Special Report



**Defense Travel System:
The Twilight Zone of Travel**

By Angela French
September 28, 2004



1301 Connecticut Avenue, NW Suite 400 Washington, D.C. 20036 (202) 467-5300
Internet Address: www.cagw.org

Permanent Subcommittee on Investigations

EXHIBIT #1

CITIZENS AGAINST GOVERNMENT WASTE

Citizens Against Government Waste (CAGW) is a private, nonprofit, nonpartisan organization dedicated to educating the American public about waste, mismanagement, and inefficiency in the federal government.

CAGW was founded in 1984 by J. Peter Grace and nationally-syndicated columnist Jack Anderson to build public support for implementation of the Grace Commission recommendations and other waste-cutting proposals. Since its inception, CAGW has been at the forefront of the fight for efficiency, economy, and accountability in government.

CAGW has more than one million members and supporters nationwide, making it America's largest taxpayer advocacy group. Since 1986, CAGW and its members have helped save taxpayers more than \$758 billion.

CAGW publishes a quarterly newsletter, *Government WasteWatch*, and produces special reports and monographs examining government waste and what citizens can do to stop it.

CAGW is classified as a Section 501(c)(3) organization under the Internal Revenue Code of 1954 and is recognized as a publicly-supported organization described in Section 509(a)(1) and 170(b)(A)(vi) of the code. Individuals, corporations, companies, associations, and foundations are eligible to support the work of CAGW through tax-deductible gifts.

Thomas A. Schatz, President
David E. Williams, Vice President for Policy
Angela French, Research Associate

Citizens Against Government Waste
1301 Connecticut Avenue, NW
Suite 400
Washington, DC 20036
Phone: (202) 467-5300
Internet Address: www.cagw.org

Defense Travel System: The Twilight Zone of Travel

Executive Summary

This *Through the Looking Glass* report examines the Department of Defense's (DOD) inefficient and costly travel management service, the Defense Travel System (DTS). The DTS is the latest effort in DOD's 25-year search for a money-saving solution to government travel.

However, DTS has failed operational testing and ended up costing more than expected. Originally, DOD was supposed to pay a fixed price of \$64 million for the DTS after it had been operationally deployed at 11,000 DOD sites worldwide and a \$5.27 fee each time the DTS was used for an official trip by DTS travelers. The total cost for five years with full usage by 3.2 million DOD travelers and approximately 5 million trips a year was supposed to be \$263.7 million. But the DTS has already cost more than \$400 million to date and one Pentagon estimate places the final cost at \$537 million. Even worse, taxpayers are now paying for the defective travel system, which cannot even guarantee the lowest fare.

The expanded cost and the unanticipated burden on taxpayers occurred in 2002 after DOD and Northrop realized that DTS was more cumbersome than originally anticipated. The original contract, under which Northrop would bear all of the development costs, was secretly re-worked, removing the most stringent aspects of the contract and foisting all costs associated with the system onto taxpayers. The U.S. Court of Federal Claims recently determined that the contract modifications violated the Competition in Contracting Act and required part of the revised agreement to be re-bid.

While DOD had good intentions to cut wasteful travel spending and make its travel services more streamlined, what it now has is an inefficient, expensive system. The DTS is so underutilized that the cost per transaction is approximately \$33,000. Even if the system is fully implemented by every DOD facility and every DOD traveler, which is not likely, it would take 15 years for any savings to be realized.

DOD should use alternative private sector e-travel systems that cost taxpayers nothing to develop and provide quicker and cheaper solutions. Both the DOD inspector general (IG) and the agency's program and evaluation office have documented problems with the DTS and the IG recommended canceling the program. Apparently, everyone but the DTS Program Management Office knows it would be more efficient and less wasteful to use an alternative to the DTS, just like tens of millions of Americans do every day.

By January, 2005, federal agencies will have to choose an e-travel vendor for its travel services; DTS is one of the choices available. While three large agencies have already decided to use DTS, this CAGW report should serve as notice that other federal agencies should not enter the twilight zone of travel known as the DTS and expose taxpayers to millions of additional dollars in wasteful spending.

Introduction

The Department of Defense (DOD) has been seeking ways to electronically streamline its inefficient and splintered travel process into a one-stop-shop to save time and money since 1979, when it developed the “Standard Travel Advance Reservation System” (STARS). Instead of relying on traditional travel services, which involves a travel agent working individually on each leg of a traveler’s trip, STARS was supposed to be a comprehensive, computerized travel system to handle every aspect of DOD travel. Congress rejected the project due to insufficient evidence of the cost savings of STARS.

In 1984, the Grace Commission reviewed travel management practices throughout the federal government and suggested STARS should have been improved upon rather than rejected. The Commission also recommended that the General Services Administration (GSA) “should create a centralized, professionally staffed travel service contracting and negotiating unit” to further explore the possibilities of the government creating an in-house travel system to cut travel costs.¹

Twenty-five years after the failure of STARS, DOD still does not have an efficient and cost-effective travel system. Its most recent effort began in 1995 and is known as the Defense Travel System (DTS). Unfortunately, DTS is six years behind schedule and has cost taxpayers more than \$400 million to date.

Like many other examples of the government’s technological ineptitude, the DTS has proven to be far more expensive and far less effective than planned, and it is starting to spread beyond the DOD to federal civilian agencies. DTS can’t even guarantee the lowest fare, which is the least taxpayers should expect. Furthermore, a federal court has found the contracting practices associated with DTS to be illegal. Given the failures of DTS, DOD and other agencies should be using less costly and more efficient private sector alternatives that are currently available in the marketplace.

The Birth of DTS

The DTS project began with the establishment of the Defense Travel System Program Management Office (DTS PMO), which has three main duties: (1) procure a DOD-wide automated travel system, (2) reduce costs, and (3) streamline the travel process.² To accomplish these goals, the DTS PMO sought to acquire a software-based travel system, which would make business travel “quicker, easier, and more efficient by

¹ President’s Private Sector on Cost Control, “Volume II: Report on Travel and Traffic Management,” Washington, D.C., 1984, pp. 15-16.

² “The DTS/DTS PMO was established to fulfill three primary duties: 1 – conduct the reengineering of DOD travel processes; 2 – procure an automated end-to-end system to support the restructured temporary duty travel process; and 3 – consolidate the efforts of the DOD Commercial Travel Office services.” Government Accountability Office, “AirTrak Travel et al,” (B-292101; B-292101.2; B-292101.3; B-292101.4; B-292101.5), June 30, 2003, p. 3.

providing automated commercial and government travel support services to DOD travelers.”³

As part of its research and testing of the DTS program, the DTS PMO presented a cost benefit and analysis report to Congress in 1997.⁴ The report evaluated the time spent by travelers and supervisors arranging travel, awaiting authorization for trips, and filling out paperwork for reimbursement. Of the \$709 million spent processing and administering DOD travel, approximately one-third (\$234 million) was spent on administration of DOD travel. The remaining two-thirds (\$475 million) was time spent on “mission costs,”⁵ which consists of arranging travel and filling out reimbursement forms.

With a fully implemented travel system, the DTS PMO calculated that the costs of administration and the time for the travel would be split 50-50 in total costs of travel processing. This would reduce per-traveler-voucher costs by 60 percent⁶ and save the DOD approximately \$66 million annually in travel administrative costs.⁷

In June 1997, the DTS PMO sent out a request for the design and implementation of a “seamless, paperless system that meets the mission needs of travelers, commanders, and other travel resource managers, reduces the cost of travel, and provides superior customer service.”⁸ In this solicitation, the DTS PMO required the contractor to build a common user interface (CUI) using commercial, off-the-shelf (COTS) computer software products. Only two contractors bid on the DTS project: BDM, International (BDM) and Electronic Data Systems Corporation (EDS).

In May 1998, the DTS PMO competitively awarded a contract estimated to cost \$263.7 million to BDM, which was subsequently purchased by TRW, Inc., which in turn was purchased by Northrop Grumman (Northrop). Northrop was required to develop an “e-travel system” which would provide for the “end-to-end” or total travel management needs of the DOD.

Under the terms of the contract, the development, testing, and initial deployment of the travel system was required to be completed within 120 days after the contract award. The system was required to be up and running at 11,000 DOD sites worldwide by

³ DOD Office of the Inspector General (D-2002-124), “Allegations to the Defense Hotline on the Management of the Defense Travel System,” July 1, 2002, p. 1.

⁴ “Initial Economic Analysis, DOD Travel Reengineering Project,” Sept. 10, 1997.

⁵ “Mission costs” are computed by DTS PMO to be the time spent by supervisors and travelers arranging travel and filling out paperwork for reimbursement. Office of the Director, Program Analysis and Evaluation, “Draft Report to the Department of Defense Comptroller General,” December 2002, p. 13.

⁶ The DTS PMO estimated the costs would be reduced from \$95 per voucher to \$34.56 per voucher, considering the 5 million travel vouchers filed each year. Travel arrangements would have a total savings of 50 percent; post-travel activities would be reduced by 34 percent. These reductions are based on “mission costs” and not actual cost savings. These savings represent the time DOD personnel would now have free to work on other items. *Idem*.

⁷ Costs would be reduced from \$234 million to \$168 million annually, according to the 1997 report to Congress. *Ibid*, p. 14.

⁸ *Ibid*, p. 6.

September 2001, at which time DOD personnel were supposed have a streamlined and efficient travel system. More importantly, the DTS was supposed to save money for both the DOD and taxpayers.

While Northrop won the contract, EDS protested, contending that it was rated higher technically and therefore should have received the award. The Government Accountability Office (GAO) upheld the decision to award the contract to Northrop, primarily because Northrop offered a much lower price than EDS.⁹

The traditional method of managing DOD travel was to contract with both large and small travel companies, known as commercial travel offices or CTOs. Those CTOs responded to verbal or written requests from DOD travelers and planned the trip step by step. Each CTO travel counselor had to have extensive knowledge of Federal Travel Regulations and often had to explain options and rules to the DOD traveler. The travel process was paper intensive, with written travel orders prepared, circulated for approval, presented to the travel agent and written requests for reimbursement filed at the conclusion of the trip. The DTS software was supposed to eliminate this time-consuming process and permit the CTOs to substantially reduce staffing.¹⁰

The DOD assumed that, with the implementation of the DTS, its CTOs would have lower labor costs after the DTS became operational because travel agents would only need to finish fulfilling the travel order (for example, purchasing the tickets) rather than spend time compiling an entire passenger name record (PNR) and explaining available travel options to the traveler. In addition to automating the travel booking process, the DTS also was supposed to handle other functions, including travel reimbursement, accounting, and record keeping.¹¹ While some travelers would still prefer the more personal services provided by CTOs, overall transaction fees were supposed to be reduced, saving an estimated \$99.6 million a year within three years of deployment.¹²

⁹ Government Accountability Office, "Protest of Electronic Data Systems Corporation," (B-280133; B-280133.2), Sept. 3, 1998.

¹⁰ Traditional DOD travel services required calling, visiting or faxing a travel agent at an approved CTO, describing the travel requirements desired, and working with the travel agent to make airline, hotel and rental car reservations. The travel agent would obtain information about the traveler (name, address, credit card, specific travel preferences, etc.) in order to develop a passenger name record (PNR). In contrast, the DTS software is designed to maintain individual PNR information. Therefore, much of the time to create individual PNRs would be saved and would no longer have to be repeated by the DOD personnel or travel agent making the travel arrangements. GAO, "AirTrak Travel," p. 4. The DTS was also supposed to provide the traveler with all travel options and government rates so he/she could select the travel itinerary without communicating with the CTO. The final itinerary would be electronically transmitted to the CTO. This would allow an individual travel counselor to process many more trip requests each day and this improved productivity was anticipated to reduce the CTOs' cost per individual transaction.

¹¹ When DTS is at full capability, it is expected to track the following: order writing capability; reservations for all modes of travel; entitlements computation; automated DOD policy compliance; electronic signature verification; electronic travel claim settlement, including split disbursement; and archiving of encrypted financial and travel data. GAO, "AirTrak Travel," p. 5.

¹² Tanya N. Ballard, "Defense Travel System Set to Launch Despite Funding Shortfall," *Government Executive Magazine*, January 10, 2002, p. 2.

The most taxpayer-friendly provision of the original DTS contract required Northrop to pay for all costs associated with developing, testing and deploying DTS and receive no revenue until the system was completed, proven effective and operationally deployed. Moreover, the amount of revenue earned by Northrop was contingent on the extent of actual use by DOD travelers.

After operational deployment of a fully functional DTS, Northrop would receive a one-time, fixed price of \$20.00 per DOD user connected to the DTS, plus a fixed fee of approximately \$5.27 for each DOD trip performed using the travel system. DTS PMO assumed that all 3.2 million DOD users would be connected to the DTS by September 2001, and approximately 5 million transactions would be completed annually using the DTS through September 2006. Thus, upon full operational deployment to all 3.2 million DOD users at 11,000 sites worldwide, Northrop would receive payments of \$64 million. Thereafter, Northrop's revenue would be based solely on the number of actual trips made by DOD travelers using the DTS.

In 1998, the DTS PMO estimated that, if Northrop had completed full deployment on schedule (September 2001) and all DOD trips were performed using the DTS, the maximum cost of the contract would not exceed \$263.7 million through September 2006. The DTS was supposed give the DOD a new and innovative software program that would start saving money in 120 days, plus significantly reduce the administrative burden on DOD.

In sum, the original DTS contract appeared to be a very good deal for the taxpayers because all cost overruns and performance risks were to be assumed by Northrop. The government would only pay Northrop after a fully functional DTS was operationally deployed, and then only to the extent of actual use by DOD travelers. The cost to the government was anticipated to be more than offset by the savings realized by the DTS.

DTS Gets Its Wings Clipped

Unfortunately, things did not work out as planned. Northrop offered DOD a COTS travel management software product and represented that only minor modifications were necessary to fully satisfy DOD's requirements. Because operational deployment was required to commence within 120 days of contract award, testing began in November 1998, two months after the GAO protest was resolved.

The initial tests of the DTS were failures. The DTS PMO soon recognized that the envisioned travel system was more complicated than originally thought and Northrop's software was far less capable than promised. The DTS PMO ran the travel program with 326 various scenarios to see if the program would accept a trip request, give an accurate, reasonable price, and process a reimbursement voucher for the traveler. The numerous problems found in these tests included the system's inability to either calculate temporary duty travel combined with leave or compute travel that required partial payments. Northrop immediately began to work on the identified glitches, but it

was clear by early 1999 that the COTS software provided by Northrop as the basis for the DTS could not be fixed with revisions; it needed a major redevelopment.¹³

In the fall of 2000, the DTS PMO began the second batch of testing, yielding no better results than the first. Even though the system passed some of the test scenarios, 87 “critical” discrepancies were found in the software. Although 72 of the discrepancies were solved during the next few rounds of software updates, the completion of the software continued to be pushed back with each new problem. By August 2001, less than one month before the DTS was to be fully completed under the contract, the DTS continued to fail its tests and was not ready for use at any DOD site.¹⁴ During this period it became apparent to the DOD and Northrop that DTS simply would not result in a functional end-to-end travel management system.

The Secret and Illegal Deal that Keeps DTS Flying

Up to this point, the DOD had not invested any money into the program since all development, testing and deployment costs for the DTS would be covered by Northrop. Payments to Northrop would only commence upon completion, proof of effectiveness and operational deployment of the travel system. However, rather than terminate the DTS contract and competitively procure a system that actually worked, the DTS PMO and Northrop entered into an illegal scheme to totally restructure the contract and pass on hundreds of millions of dollars in costs to taxpayers.

Without opening the contract back up for competitive bidding, DOD and Northrop entered into secret negotiations for a totally new agreement, violating the Competition in Contracting Act (CICA) of 1984. Negotiations lasted until around February 2002, when modifications were executed that totally changed the technical requirements, performance schedule and pricing provisions of the DTS contract. In fact, the only contract feature not completely changed was the contract number.

The new agreement removed the most stringent aspects of the original contract. Instead of requiring a DTS system that operated in a client server mode (customizing and installing software in each individual computer server at every military base), Northrop only had to develop a web-based DTS, which would be similar to existing commercial Internet travel booking systems. Since DOD suddenly had to find a temporary solution to its travel needs while Northrop developed its web-based system, DOD also illegally added a new requirement for traditional travel services to the Northrop contract. These services were subcontracted to a large travel company at exorbitant rates, well above

¹³ DOD OIG, pp. 6-7.

¹⁴ The Joint Interoperability Test Command (JITC) tested the program from October 23 through December 22, 2000 at Whiteman Air Force Base, Missouri. Because the system continued to be plagued by discrepancies, the DTS PMO canceled testing on November 8, 2000. The second operational test was carried out at Ellsworth Air Force Base in South Dakota from July 26 through August 29, 2001. Again, DTS failed to meet critical requirements set forth by the DOD. JITC found DTS to be a defective system and the system could not be deployed to any DOD facility. Ibid, pp. 6-7.

prices available in DOD's other competitively procured traditional travel service contracts.

The most significant alteration in the illegal DTS contract restructuring was the change to a cost-reimbursable contract, which meant that the cost and risk for development and testing was shifted from Northrop to the taxpayers, thereby eliminating any incentive for Northrop to keep its costs under control. Even worse, the government paid Northrop \$53.5 million to cover the retroactive costs incurred during the unsuccessful tests prior to December 2000, and the government paid another \$30-\$40 million between April 2001 and March 2002, while both parties illegally negotiated the restructure of the DTS contract and Northrop continued its fruitless attempts to make the original DTS work.¹⁵ Finally, the DOD agreed to pay approximately \$35 to \$50 million a year commencing on April 1, 2002 to continue efforts to develop a functional system using the Internet.¹⁶

In July 2002, DOD Inspector General (IG) Joseph E. Schmitz released a report that estimated that the costs of the DTS program had grown from the original \$263.7 million to \$491.9 million – 87 percent higher than the original contract amount. He agreed with the DTS PMO that the project would not be concluded until 2006, four years behind schedule. Schmitz also severely criticized the management of the program, stating that the DTS was being “substantially developed without the requisite requirements, cost, performance, and schedule documents and analyses needed as the foundation for assessing the effectiveness of the system and its return on investment.”¹⁷ The IG noted that the quarterly reports issued by the DTS PMO “did not always appear to report the ‘true state’ of the DTS program.”¹⁸ Finally, Schmitz said DTS “remains a program at high risk of not being an effective solution in streamlining the DOD travel management process.”¹⁹

Despite Schmitz's harsh critique of DTS and recommendations to cancel the program, DOD continued to fund the DTS.

The Department of Defense's Office of Program Analysis and Evaluation (PA&E), following up on the IG's findings, released an in-depth report and cost analysis of the DTS to the DOD comptroller in December 2002. The PA&E recommended that the DOD consider commercial e-travel systems that were now available but were unavailable during the time of the original contract award to Northrop. The PA&E report noted that, without performing any cost/benefit analysis, the DTS PMO had included

¹⁵ Northrop was paid \$43.8 million under contract modification 25 in February 2002, and \$9.7 million under task order 10 in April 2002 for work performed between September 29, 1998 and December 18, 2000.

¹⁶ After signing the new contract, the DOD began making monthly payments to Northrop for work performed on DTS totaling \$35-\$50 million annually. Northrop also began receiving monthly payments for development work on the system, totaling an estimated \$9-\$15 million annually. Contract modification 27, March 29, 2002.

¹⁷ DOD OIG, p. 3.

¹⁸ Ibid, p. 8.

¹⁹ Ibid, p. 3.

many features in its original solicitation for the travel system that were not required by DOD travelers. The PA&E stated that “DOD requirements need to be compared against commercial trends and software availability to see if developing this functionality is worth the cost.”²⁰

The PA&E noted that “many new web-based tools are available today on the Internet. These Internet tools interface with airline, hotel and rental car reservation systems ... providing a myriad of services and information directly to the traveler during all phases of travel planning.”²¹ Although the DTS PMO reported improved test results after the contract was restructured, the program nevertheless “still has a considerable ways to go before full functionality is delivered.”²² The PA&E found that “it has taken four years to achieve about half the required functionality with an additional three years needed to provide full functionality.”²³

The PA&E report also reviewed the original DTS PMO cost analysis for the DTS and found that the DTS program expects to spend \$537 million to complete development and maintenance during its life cycle (fiscal year 2001 to fiscal year 2014). The PA&E compared the cost per transaction fees of commercial e-travel systems (non-end-to-end systems) to the DTS (an end-to-end system). Testing at pilot DOD sites revealed that the average cost per transaction of commercial systems was \$41; the average cost per transaction of DTS was \$33.60. Therefore, the added benefit to DOD’s DTS end-to-end system would be \$7.40 per transaction, equaling \$37 million in total savings per year for a *fully implemented* DTS system. Taking all of these factors into consideration, the PA&E concluded that “*at this rate, it will take 15 years of savings to break even on the DTS program.*”²⁴

However, it is highly unlikely that a fully implemented and fully functional DTS will be achieved, even by September 2006. Taxpayers continue to fund the program, Northrop continues to make changes and modifications to the system, yet DTS continues to experience serious problems. In fact, the DTS may not even be able to keep up with commercially available products. As the PA&E noted, “[i]n attempting to keep pace with ever increasing capabilities in commercial travel software, the probability of requirements growth in DTS software development will increase before final delivery.”²⁵ This is not the first time it has been proven that the government cannot develop software at the same rate, efficiency, or low cost that can be achieved by the private sector.

Furthermore, cost estimates for the completed DTS program vary. In July 2002, the DOD IG estimated the system would cost \$491.9 million upon completion. Subsequently, the PA&E December 2002 report re-evaluated the DTS PMO’s cost benefit and analysis findings and stated that a fully deployed DTS would cost a total of

²⁰ PA&E Report, p. 8.

²¹ *Idem.*

²² *Ibid.*, p. 11.

²³ *Ibid.*, p. 12.

²⁴ *Ibid.*, p. 16 (emphasis added).

²⁵ *Ibid.*, p. 3.

\$537 million. Yet, a July 2004 article reports that “DTS is expected to be finished by Sept. 30, 2006, at a total cost of \$474 million.”²⁶ Part of the confusion exists because the DOD has not released current figures on the cost of the DTS program to date or provided the budget estimates it projects to complete the DTS contract through September 2006. There also is great uncertainty about how many of the 11,000 DOD sites and 3.2 million DOD travelers worldwide will be connected to the DTS by the end of the DTS contract.

In fact, it was not until December 5, 2003 that the DOD finally declared that Northrop’s DTS had achieved Initial Operational Capability and was ready for deployment, even though the system was functioning at only a handful of the 11,000 sites it was supposed to serve. To date, more than \$200 million of taxpayers’ money has been paid to Northrop by the DOD, despite the fact that the travel system is inefficient, cannot perform basic tasks and is used by only a small percentage of DOD travelers.

Questions about DTS do not stop with varying cost and deployment estimates. Other potential contractors for the DOD’s e-travel system questioned the legality of the 2002 restructured contract with Northrop. On May 23, 2003, CW Government Travel, Inc. filed a complaint at the U.S. Court of Federal Claims, arguing that the contract should be re-opened for bidding because the changes were so extensive that they constituted a new contract.²⁷

Court Rules Contract Illegal

On July 26, 2004, the U.S. Court of Federal Claims, in the case of CW Government Travel, Inc. v. the United States, held that “[the DTS PMO’s] failure to issue a competitive solicitation for the traditional travel services added by Modification P00029 violated CICA [the Competition in Contracting Act].”²⁸ The court found that the change to the DTS contract was “a cardinal change” and required the DTS PMO to re-solicit the traditional travel services work, which “will serve the public interest by ensuring fair and open competition in public contracts.”²⁹

The court noted that when the DOD posted its DTS solicitation, “the technology of the time limited the solutions that contracts could offer” because “there were no COTS items that provided web-based travel management services for Government travelers.”³⁰ The court also recognized that only two contractors responded to the solicitation and that no provider of traditional travel services responded due to the severe requirements DOD mandated for its automated travel management system.

In a small victory for taxpayers, the court ordered the government to terminate the traditional travel services portion of the 2002 DTS contract and conduct a competitive

²⁶ Stephen Losey, “Senator Wants to Know Costs of DTS,” *Federal Times*, July 12, 2004, p. 1.

²⁷ CW Government Travel, Inc. v. U.S., (No. 03-1274 C), United States Court of Federal Claims, July 26, 2004, p. 2.

²⁸ *Ibid.*, p. 19.

²⁹ *Ibid.*, p. 20.

³⁰ *Ibid.*, p. 3.

procurement that will result in a new contractor performing these services by November 2004. Based on a comparison of the pricing for traditional travel services in the Northrop contract to the pricing in CW Government Travel's competitively won DOD travel contracts, DOD has overpaid for traditional travel services under the unlawful Northrop contract by approximately \$14 million since 2002.

Although the court found the 2002 restructure of the 1998 Northrop contract to be unlawful, it subsequently determined, in a novel and unprecedented decision, that the e-travel portion of the Northrop contract should be allowed to remain valid. The court relied on a unique equitable argument that preventing the restructured 2002 Northrop contract for e-travel services from going forward would delay the project even further, and that Northrop's system was "substantially complete."³¹ The court assumed that "[a]ny new contractor would not have a system that could be immediately deployed."³² Despite the unlawful pricing and technical changes, the court said the agreement with Northrop would remain because it was simply too late to terminate the contract and re-compete the web-based travel management system.

Unfortunately, the court's conclusions are not supported by the facts. While the court found the DTS to be "substantially complete,"³³ it will cost taxpayers at least another \$100 million to complete the system by late 2006.³⁴ The DTS that is currently deployed frequently cannot find the lowest applicable airfare available for DOD travelers, nor does it work for international travel. Travel agents who have tested the DTS found that flights booked by DTS can cost as much as \$1,200 more per ticket than applicable fares available to government travelers because the DTS software did not alert the traveler or travel agent that a lower priced government fare was available.³⁵

The DTS PMO acknowledged the failure to identify the lowest fares at a Small Business Solicitation Pre-Proposal Conference on March 10, 2004 and stated that it was going to release a "change order" (at taxpayer expense) to have Northrop correct this problem in the future. Given Northrop's track record, this change will probably be four years behind schedule and cost the Government many additional millions, like the rest of the project.

Given the government's record \$422 billion deficit, it is absolutely incredible that anyone would design an automated travel system that would not find the lowest airfare or that the DOD would accept such a system for operational deployment. Even more astonishing, the DTS PMO has instructed the CTOs that are now using the DTS that they should not correct the problem when the DTS automatically books a higher priced airfare.

Another fundamental problem with the DTS is that it does not provide travel agents with the information necessary for them to process DOD travel expenditures. The

³¹ Ibid, p. 24.

³² Idem.

³³ Idem.

³⁴ Based upon the pricing in contract modification 27.

³⁵ Losey, p. 1.

original contract stated that this would be a time-saving tool that the enhanced e-travel system would perform; yet, today this task must still be performed manually for the majority of travel transactions and often requires travel agent intervention to correct the DTS errors.

The court's determination that Northrop's e-travel system was substantially complete is further undermined by the fact that the DTS is rarely used at the military facilities where it has been operationally deployed. The DOD issues approximately 5 million tickets each year. Yet, only 15,000 tickets have been purchased through the DTS since 1998. This means that 99 percent of the DOD tickets are still being issued via traditional travel services.³⁶

In 2002, the total estimated cost of the DTS was \$491.9 million, therefore each of the 15,000 tickets issued to date have cost taxpayers \$33,000. The DTS PMO has not made available the current estimates of the cost to finish the system, but using DTS PMO's original cost estimates, PA&E assumes the system will total \$537 million, which is \$273.3 million more than the original 1998 contract price. In addition to the base cost of developing the DTS, taxpayers are being burdened with potential excess ticketing costs that could exceed hundreds of millions of dollars annually.³⁷

In concluding that the government would have to start over to develop a new system if Northrop were not allowed to continue with the DTS, the Court of Federal Claims apparently was unaware of the fact that the DOD can purchase e-travel services from two vendors that were awarded contracts by the General Services Administration (GSA) – CW Government Travel and EDS. Each of these two vendors provide a web-based system that was developed at their own expense rather than by the taxpayers. Moreover, these GSA contracts are available for DOD use immediately.

The DTS Virus Spreads

As bad as the DTS PMO's activities have been for Pentagon expenditures, what is worse is that the taxpayer-financed Northrop system is now migrating to the civilian side of the federal government. In addition to CW Government Travel's and EDS's privately-financed systems, Northrop's taxpayer-funded DTS system also is available on the GSA contract schedule. Under the GSA's guidelines, every civilian agency will have to choose one of these three vendors for their e-travel services by January 1, 2005.

When the GSA selected the private companies that would provide travel services to government travelers, it did not require each of the companies to guarantee that its e-travel system would produce the lowest applicable fare for government travel. Had this basic protection from excessive costs been mandated, Northrop's DTS system would not have been eligible for consideration by other federal departments and agencies. Unfortunately, three agencies – the Departments of Agriculture, Transportation, and

³⁶ At least the traditional travel service contracts require the CTO to guarantee the lowest airfare.

³⁷ If only 25 percent of the DOD's 5 million annual airline tickets are over priced by only \$400 the additional cost to taxpayers would be \$400 million.

Treasury – already have signed up for the Northrop system, possibly unaware of this expensive defect. To avoid making the same mistake, other agencies must be forewarned of the costs and flaws of the DTS.

Ironically, the GSA's contracts, unlike the restructured DTS contract with Northrop, require CW Government Travel and EDS to absorb their own development costs and make revenues contingent on the successful use of their web-based travel systems by federal agencies. The GSA's successful procurement from CW Government Travel and EDS demonstrates conclusively that the DOD did not have to assume all cost and performance risk and pay up front for the development of a web-based travel system, as it agreed to in its illegal 2002 contract with Northrop. By including Northrop in its e-travel initiative for civilian agencies, however, the GSA will likely cost taxpayers hundreds of millions of dollars in the future because Northrop is being selected by large federal departments and agencies even though it does not provide these agencies with the lowest available airfare and is continuing to charge more than its competitors for the same travel services.

In its decision, the Court of Federal Claims also refused to terminate the 2002 Northrop contract because "Northrop would walk away with the system that it has developed and the Government would have to start over."³⁸ This is perhaps the most outrageous aspect of the 2002 Northrop contract. Despite having paid Northrop hundreds of millions of dollars to develop, operate and maintain the DTS, the government does not own it, does not receive any profit from it, and has only been granted a license which requires it to pay Northrop for the right to use the very system the taxpayers built.

Thus, once the DTS is deployed throughout the DOD and other federal agencies, Northrop will have a virtual perpetual monopoly that will allow the company to continue overcharging the government. The PA&E noted this problem when it discussed the restructured DTS contract, stating "[i]t is our understanding that DoD has not brought the rights to the software developed for the DTS program" and finding that this "may limit DoD's ability to use competition effectively to reduce travel costs."³⁹

Conclusion

The DTS has been a failure since its inception. While the DOD had good intentions to cut expenses and make its travel services more streamlined through the DTS, what the Pentagon has ended up with is a highly ineffective, very expensive and hugely wasteful system with many fundamental flaws that may never be fully resolved. Moreover, the DTS was procured under an unlawful contract at exorbitant costs, and the DTS PMO did not even obtain title to the DTS that it paid hundreds of millions to develop. The DOD steadfastly refuses to look at better e-travel alternatives, such as the systems developed by CW Government Travel and EDS, which cost taxpayers nothing to develop and provide quicker and cheaper solutions.

³⁸ Ibid, p. 24.

³⁹ PA&E Report, p. 13.

Perhaps most inexcusable is the fact that the DOD continues to leave the DTS PMO in charge of DOD travel, notwithstanding the years of mismanagement, waste and even unlawful conduct that has occurred during the administration of the DTS contract. Federal civilian agencies facing an imminent decision about which e-travel system to use should beware of ending up in the twilight zone of travel, known as the DTS.

**THE CORPORATE
SOLUTIONS GROUP**

The Corporate Solutions Group[®]
11 Politzer Drive, Menlo Park, California 94025
Telephone: 650-324-4008
www.thecsg.com

eTravel / DTS Fare Audit
Task "A"
*Report and Findings
Executive Summary
Revision III*

May 5, 2005

Point of Contact:

Robert Lichtman (650) 324-4008
e-mail: rlichtman@thecsg.com

Submitted To:

Larry Tucker

Contract: GS-33F-0008N

This report contains statements, conclusions, and data that shall not be disclosed outside the government and shall not be duplicated, used, or disclosed – in whole or in part – for any purpose other than the internal planning, strategy, and evaluation needs of the government. This restriction does not limit the government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets marked "Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this document."

Permanent Subcommittee on Investigations

EXHIBIT #2

1.0 Executive Summary

In any situation where performance-driven pricing incentives are at issue, there is a need for compliance monitoring, so as to optimize discounts available and insure continuity of the program. The travel industry specifically adds additional complexity, as there are multiple layers of information transmittal that must be considered in order for any discount scheme to be effective, as must vendor compliance with the terms and conditions of program participation.

Over the past 20 years, much of the travel industry has embraced periodic or systematic reservation or fare audits to ensure successful application of discount programs and identify areas in which the effectiveness of such programs may be strengthened.

The Corporate Solutions Group® (The CSG) responded to a solicitation developed by the GSA eTravel Program Office for a Fare Audit of the four operational platforms used by the eTravel System (eTS) and the Defense Travel System (DTS).

The purpose of the project was to:

- Compare how eTravel and DTS vendors present air fares in their online booking tools.
- Analyze any differences found and determine reasons for those differences.

The audits were undertaken electronically employing user interfaces provided by each of the three eTS system providers and DTS:

eTS

- CW Government Travel (CWGT) of San Antonio, Texas
- EDS of Fairfax, Virginia
- Northrop Grumman Mission Systems (NGMS) of Fairfax, Virginia

DTS

- Northrop Grumman Mission Systems (NGMS) of Fairfax, Virginia

These systems rely upon a number of external data and transaction-handling sources to form their informational displays and complete the reservation process. Most significant among these are what are termed Global Distribution Systems (GDS). These are transaction-handling systems operated by four major independent companies, each with close operational and business ties to the airline community:

- Amadeus
- Galileo
- Sabre
- Worldspan

The GDS collect travel-related information, including availability and pricing, from a variety of sources. They then normalize and display this information on a transaction-driven, query basis, initiated by user requests. Thus, GDS users are presented with an array of schedule, availability, and pricing information specific to the itinerary specified.

The CSG Team performed an initial review of the booking systems and tools employed by the Government, including the eTS/DTS tools and the GDS which they use as an informational source. This review applied a combination of automated and manual techniques to perform tests designed to assess the system's presentation of air fares to federal travelers.

This involved conducting near-simultaneous comparative testing of all four booking tools, using a "point in time" methodology, beginning on Tuesday, February 15, 2005 and concluding Monday, February 21, 2005.

1.1 Key Findings

Table 1 (below) summarized major air routes used by federal travelers, as determined by the General Services Administration through its negotiated air fare program, The City Pair Program (CPP). The table described the two major negotiated air fare categories contracted by the Government:

YCA Fares – The code used to designate unrestricted coach class contract fares for Government contract carriers.

Capacity-Controlled Fares (_CA) Fares – The code designating coach class fares that are restricted only as to limits on seat availability.

The table shows that the eTS/DTS air fare booking tools portrayed between 34.5% and 89.9% of all applicable CPP fares offered in the 25 markets. A higher number of contract fares displayed represents a better service offering for the Government and makes the largest array of potential savings opportunities available. Overall, the systems successfully displayed accurate contract fares between 91.2% and 97.2% of the time when such fares were offered. The major operational deficiency characterized by the table is in the ability of the systems evaluated to present all applicable contract fares.

Table 1: TOP 25 DOMESTIC CITY PAIRS

Description	Contract		DTS		GovTrip		FedTraveler		E2Solutions	
	Carrier (CG)	Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC	
YCA City-Pair (CP) Fares										
Displayed _CA CP Fares	187	61	32.6%	66	35.3%	170	90.9%	76	40.6%	
Displayed Total CP Fares	119	41	34.5%	44	37.0%	107	89.9%	100	84.0%	
Displayed for CC	306	102	33.3%	110	35.9%	277	90.5%	176	57.5%	
CC Flights	N/A	93	91.2%	103	93.6%	270	97.5%	171	97.2%	

Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems	57				
% of Identical CP Flights Appearing in all 4 Systems	18.6%				

Note for Tables 1 and 2:
In any audit setting, users apply business rules that partially govern how services are displayed to users. These, for instance, may specify that a two-hour availability “window” be used, as opposed to a four-hour “window,” which is also in common use. Schedules falling outside the specified “window” would not be displayed to users. These and other business rule settings may therefore arbitrarily alter audit results. Detailed “business rule” information is contained in Section 4.1 of the “eTS-DTS Task A Report and Findings” document.

Finally, the table portrays variances in display across the four systems evaluated. Of 306 qualified and available contract fares offered across the 25 top markets, 57 flights (18.6%) were successfully portrayed in all systems.

Potential Impact of Business Rules

Please refer to the “Note for Tables 1 and 2” (above). Care must be taken to interpret audit observations in light of arbitrary “business rules” that may be applied in individual implementations of travel systems and that may be observed by and affect the results of audits. As discussed in the above referenced note, such rules may potentially expand or contract the range of available service choices and be reflected in tabular data.

Based upon Government-provided data (Section 4.1 of the “eTS-DTS Task A Report and Findings” document, the business rules affecting this audit are similar but not identical. Not all tabular or display variances noted in the report are attributable to business rule variances.

Table 2 (below) portrays similar data for the top 10 international destinations for flights originating or terminating within the U.S.



Table 2: TOP 10 OVERSEAS FLIGHTS ORIGINATING OR TERMINATING WITHIN THE UNITED STATES

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2: Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	44	13	29.5%	12	27.3%	39	88.6%	15	34.1%
CA CP Fares Displayed	26	13	50.0%	14	53.8%	23	88.5%	15	57.7%
Total CP Fares Displayed for CC	70	26	37.1%	26	37.1%	62	88.6%	30	42.9%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems	N/A	20	76.9%	18	69.2%	N/A	N/A	N/A	N/A
% of Identical CP Flights Appearing in all 4 Systems	13								
	18.6%								

The data portrayed by both tables show that, while each of the booking systems evaluated offer a high number of contract fares accurately and consistently, there are anomalies and deficiencies in both contract displays and competitive market displays.

The detailed report discusses three Case Studies that highlight these observations. Additionally, the data appear to describe situations where schedules that should be offered to federal travelers are not, based upon incorrect vendor-driven application of City Pair Program (CPP) contract terms or non-permitted routing restrictions.

1.2 Recommendations

These recommendations are based both upon direct observations and analysis of the audit data and upon broader travel industry experience.

Scope of the Audit

Current audit conditions produced several areas of imprecision, such as the inability of the systems evaluated to perform in an operational setting (as opposed to a test environment), and incomplete data provided by the booking system vendors that could account for some of the observed display anomalies.

We recommend working with the affected vendors to stage a further audit that addresses these deficiencies.

Further, the current audit describes only a "moment in time" picture of a few routes and services. Later phases of the audit program, as defined by the Government, may provide a clearer picture as to possible causes for the observed deficiencies, by providing a more comprehensive picture of the system's operational characteristics.

**THE CORPORATE
SOLUTIONS GROUP**

The Corporate Solutions Group®
11 Politzer Drive, Menlo Park, California 94025
Telephone: 650-324-4008
www.thecsg.com

eTravel / DTS Fare Audit
Task "A"
Report and Findings
Revision IV

May 5, 2005

Point of Contact:

Robert Lichtman (650) 324-4008
e-mail: rlichtman@thecsg.com

Submitted To:
Larry Tucker

Contract: GS-33F-0008N

This report contains statements, conclusions, and data that shall not be disclosed outside the government and shall not be duplicated, used, or disclosed – in whole or in part – for any purpose other than the internal planning, strategy, and evaluation needs of the government. This restriction does not limit the government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets marked "*Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this document.*"

Permanent Subcommittee on Investigations

EXHIBIT #3

1.0 Table of Contents

2.0 Abstract..... 3

 2.1 Defense Travel System (DTS)..... 4

 2.2 eTravel Service (eTS)..... 5

 2.3 Audit Phase I..... 6

3.0 Specific Methodology..... 9

4.0 System Overviews..... 13

 4.1 Parameter Settings..... 13

 4.1.1 DTS Settings..... 14

 4.1.2 FedTraveler Settings..... 15

 4.1.3 GovTrip Settings..... 16

 4.1.4 E2 Solutions Settings..... 17

 4.2 Analysis and Notes..... 18

 4.2.1 Display Notes..... 18

5.0 Overall Findings..... 20

6.0 Comparison Matrices..... 24

 6.1 25 Frequently Traveled Markets..... 24

 6.2 10 Complex Markets..... 90

 6.3 10 International Markets..... 100

7.0 Summary..... 122

8.0 Recommendations..... 124

9.0 Appendix..... 125

2.0 Abstract

The Corporate Solutions Group® (The CSG) responded to a solicitation developed by the GSA eTravel Program Office for a Fare Audit of the three operational platforms used by the eTravel System (eTS) as well as the Defense Travel System (DTS).

The purpose of the task order awarded is to support successful deployment and use of the eTS and DTS by establishing the planning, auditing, and reporting required to determine vendor performance in providing the best available fares, in compliance with government policies.

This task order was placed under the GSA Travel Services Solutions (TSS) schedule. A competitive solicitation was conducted under the schedule and several iterations and revisions took place in the process to achieve the objectives stated above.

The scope of the request requires management support to determine that fares returned through eTS and DTS travel services are the best, policy compliant fares that are available at the time of booking. The outcome of this support is intended to be:

- An accurate, independent assessment of fare presentation.
- Use of the best value rates.
- Identification of applicable and appropriate audit and review standards.
- Improved travel options and reduced costs for the Federal traveler.
- Reduced cost to the taxpayer and government by ensuring that the best, policy compliant fares are available and to determine the degree that the fares have been used.

Audit management support is currently focused upon:

- Comparing how eTravel and DTS vendors present air fares in their online booking tools.
- Analyzing any differences found and determining reasons for those differences.

The government may elect to expand this planning and management support for other services, including lodging and car rental. The contractor will propose an approach and associated pricing to perform these additional audits with similar scope to the support described herein.

2.1 Defense Travel System (DTS)

The Defense Travel System (DTS) is a web-based application hosted by Northrop Grumman Mission Systems in Fair Lakes, VA, for processing travel authorizations, travel expense claims, and real-time travel arrangements. External interfaces include multiple Department of Defense (DoD) financial systems, an electronic archive, the DoD charge card vendor, DoD digital signature verification, and four Global Distribution Systems (GDS) through a gateway provided by TRX. Access to the DTS application requires a valid digital signature identity certificate.

As of December 1, 2004, DTS has electronic interfaces in production with 15 travel management companies (TMCs) with 122 pseudo city codes¹ in three GDS. For two months, the average monthly number of new travel arrangement requests by GDS were:

- Sabre - 15,900
- Apollo - 1,100
- Worldspan - 2,350
- An interface to Amadeus is available in the testing environment (but not deployed) since no current DoD DTS travel agency uses that GDS.

DTS permits a user to input search parameters of departure and arrival airports, date, and time. DTS interfaces with the GDS that supports the user's TMC and returns results of available flights from which the user can choose a flight. When they are finished with selecting air, hotel, and rental car arrangements, DTS sends a pre-built passenger name record (PNR) to the TMC.

If possible, requested arrangements will automatically book in the GDS without agent intervention. After a quality control review and providing any requested assistance, the TMC returns the reservation information to DTS. Actual ticketing is done after the travel authorization is approved and normally happens three business days prior to travel.

¹ A pseudo city code is a unique electronic identifier used within an airline reservation (GDS) environment to delineate a unique system user access point.

2.2 eTravel Service (eTS)

The eTravel Service (eTS) is a travel management service. It provides Executive branch agencies with the ability to manage their travel from end-to-end through a common, web-based service. The General Services Administration's eTS master contracts were awarded to three vendors;

- CW Government Travel (CWGT) of San Antonio, Texas
- EDS of Fairfax, Virginia
- Northrop Grumman Mission Systems (NGMS) of Fairfax, Virginia

Each vendor is required to meet GSA's master contract specifications but may use their industry expertise and best industry practices to architect their solution.

By contract, each vendor is required to provide travel planning, cost estimating, online self-service and assisted reservations, fulfillment, and authorizations. Travelers are able to file expense reports online and standard data reports are required for business planning.

eTS vendors' solutions include a travel management center/travel agent (TMC) component. In addition, eTS vendors are required to accommodate a Federal Agency selected TMC. If a Federal Agency elects to obtain TMC services from a non-eTS vendor this TMC is required to use the eTS vendor's booking engine for self service reservations after September 2006.

For non-self service reservations (agent assisted) the TMC will book primarily through their GDS but have the option to use the eTS vendor's web-based solution.

CWGT serves as both the service integrator and the primary TMC for CWGT customers. Their eTS solution branded, E2 Solutions, uses GetThere by Sabre as the online booking engine.

For this project The CSG has teamed with Fare Audit, Inc., of Windsor Locks (Hartford), Connecticut. Fare Audit is the travel industry's premiere transaction-level reservation auditing and compliance monitoring company, with extensive practical experience throughout the civilian and government sectors. Fare Audit is the only travel auditing company with government experience and the only company that works exclusively for travel service buyers (principals) and not TMCs, vendors, or other intermediaries—thereby enabling wholly objective performance reporting.

2.3 Audit Phase I

The CSG Team performed an initial review of the booking systems and tools employed by the Government, including the eTS/DTS solutions and the underlying GDS and related inventory platforms. This review applied a combination of automated and manual techniques to perform the tests outlined in the statement of work, specifically:

- a) An air fare price comparison between DTS and eTS of 25 frequently traveled domestic round trip destinations provided by the Government (provided in Section 3.0 of this report).
- b) Select morning and afternoon arrival/departure times on the same specified dates selected for each round trip destination identified above and compare the government airfare rates between DTS and all ETS systems.
- c) Using 10 complex domestic round trip destinations (specified by the Government and provided in Section 3.0 of this report), compare the presentation of the contract/policy compliant air fare rates between DTS and all ETS services.
- d) Using 10 overseas flights for flights originating or terminating in the continental United States (specified by the Government and provided in Section 3.0 of this report), compare the government airfare rates between DTS and all ETS services.
- e) Analyze any differences found in the above-mentioned procedures to determine the reasons for the differences. Provide a report providing raw results and summarizing the findings.
- f) Validating that the vendors are accurately taking availability and fare information from the GDS and accurately displaying this information for reservation purposes in a manner that is compliant with the ETS/DTS contracts/policies.
- g) Assessing whether reservation and fare information are presented in the correct order as stipulated by the contract and associated policies, and
- h) Confirming the air, lodging, and rental car base rates that are presented to travelers conform to rates in government contracts and agreements.

The appropriate methodology for establishing a baseline uses a sampling methodology. The statistically accepted approach used is to develop a "market basket" performance assessment at a fixed time and to perform continual periodic, systematic evaluations on the same sample set of selected city pairs, domestic and international for all GDS systems and each of the systems providing services to DoD and eTravel.

Market basket analysis is an algorithm that examines a long list of transactions in order to determine which items are most frequently purchased together. Quantitative variances in the sample over time will assess ongoing performance relative to the baseline.

The CSG Team developed the earliest and most successful econometric market-basket models used in travel procurement and we use proprietary models and techniques to assure that the baseline sample remains relevant in the commercial marketplace, despite inevitable changes in composition that must occur over time, as the array of vendor product offerings evolves.

The CSG will establish a definition of the key elements and criteria for what represents best, policy compliant fare (e.g., lowest-available, ability of the fare to meet mission need, etc.) with the compliance and agreement of the Program Offices.

The audit will outline and describe:

- Preliminary Audits to establish performance baseline
- Reporting Schedule
- Summary / Recommendations

The audit will identify:

- Applicable Federal and DoD regulations that drive fare options; and
- Specific audit objectives for each program's travel solution(s). (e.g., verify city pair fares, GDS fares, web fares, and other non-participating carriers).

The CSG conducted the audit following the receipt of the proper security and access information for the three eTravel solutions and the DTS solution. All of the systems were processed and compared in a consistent manner and within the same time frame. The audit employs commonly accepted accounting and audit sampling techniques. These techniques are used throughout the business sectors and are consistent with industry practices.

The CSG took the identified selected trips for CONUS and OCONUS for all systems (eTS and DTS). The trips were searched for City Pair Program (CPP) fares, in a consistent and objective manner. All rules associated with these fares and the GDS systems rules were examined. All alternative fares (other the CPP fares) available in the marketplace were searched and all applicable rules and requirements were identified. After this search all systems and all fares were reviewed for applicability and findings. Displays were reviewed for applicability and appropriateness.

Upon acceptance of our report, we will work with each program management office to develop an audit management plan for the eTravel and DTS programs to design future audits. The CSG Team has extensive experience developing similar management-level oversight and auditing programs and we are confident that we can adequately engage all

relevant parties in the design of such audits and ongoing evaluation of the results produced.

The plan will include:

- 1) Successful use of best, policy compliant air fare as appropriate for each service being deployed by the programs
- 2) Key performance objectives
- 3) Schema and design of the audits
- 4) Milestone schedule

We will work with each program office to determine and further refine specific components of the plan:

- a) Definition of the key elements and criteria for what represents best, policy compliant fare, contract terms and policies, that should be audited and with what frequency.
- b) Appropriate, statistically valid methodology that conforms to the expected transaction volume for each service to establish a baseline assessment and on-going maintenance.
- c) Timing of when the information will be captured and in what manner the information will be captured.
- d) Recommended reporting schedule and any other summary/ recommendations based on the above-mentioned audit findings.

Note that The CSG Team possess extensive experience with the procurement of government and commercial travel both within and outside the U.S. and we are fully prepared to support deployment and operation of the audit program across all Government facilities worldwide.

3.0 Specific Methodology

The purpose of this testing exercise was to support the GSA with its goal of ensuring successful deployment and use of eTS and the Defense Travel System (DTS) by providing objective, unbiased, third party observations that identify both weaknesses and strengths of the systems studied in a comparative, side-by-side environment.

The results will be useful to better establish the planning, auditing, and reporting required to monitor vendor performance in providing best available fares and schedule displays in compliance with government policies.

The CSG Team conducted near-simultaneous comparative testing of all four (4) U.S. Federal Government electronic internet-based travel systems. These tests were conducted at Fare Audit's headquarters located in Windsor Locks, Connecticut. Pre-testing began on Monday, February 14, 2005 while actual testing began on Tuesday, February 15, 2005 and continued through Monday, February 21, 2005.

The systems comparatively tested were:

DTS - Defense Travel System - designed by Northrop Grumman Mission Systems and utilized by the U.S. Department of Defense

eTS systems - three (3) separate and distinct systems used by the Executive agencies of the U.S. Government. They include:

FedTraveler – designed by EDS

GovTrip – designed by Northrop Grumman Mission Systems

E2 Solutions – designed by CW Government Travel (CWGT)

Testing parameters were established using a “point-in-time” comparative testing concept. Owing to the inherent nature of dynamic changes occurring with regard to available travel inventory being decremented and deposited back to available inventory on a continuous basis, as well as air fares and rules changes occurring at any moment, it was determined that comparative observations of each system output in the following areas would also be beneficial:

All systems tested were in a “live” production mode except for FedTraveler by EDS which could only be provided in a testing environment. Although we have no specific information as to functional deficiencies created by this situation, it should be noted that employing a non-production environment is a departure from accepted industry audit practices.

All systems were concurrently tested while using T1 or greater Internet connectivity. Multiple auditors used multiple log-in identification codes for system access as provided by the GSA and/or the vendors. DFAS observers were present as Fare Audit's headquarters for most of the testing period.

All relevant output from each system was documented using TechSmith's "SnagIt" capture technology and those screen capture documents are provided as an appendix to this report.

Specific testing performance parameters included the following, provided by the General Services Administration:

Step 1: An air fare price comparison between DTS and eTS of 25 frequently traveled domestic roundtrip destinations:

Table 1: 25 Frequently Traveled Destinations

Airport1 Name	Airport Code	To / From	Airport Name	Airport Code	# Times Used	Reference
Washington National	DCA	To / From	Columbus International	CMH	6137	Table 7
Washington National	DCA	To / From	Atlanta International	ATL	6037	Table 9
Panama City	PFN	To / From	Atlanta International	ATL	4989	Table 11
Dallas-Fort Worth International	DFW	To / From	Washington National	DCA	4688	Table 13
Chicago O'Hare International	ORD	To / From	Dayton International	DAY	3970	Table 15
Dayton International	DAY	To / From	Atlanta International	ATL	3665	Table 17
Norfolk Virginia	ORF	To / From	Atlanta International	ATL	3469	Table 19
Detroit - Wayne County	DTW	To / From	Washington National	DCA	3379	Table 21
Dallas-Fort Worth International	DFW	To / From	Albuquerque International	ABQ	2989	Table 23
Chicago O'Hare International	ORD	To / From	Washington National	DCA	2942	Table 25
Dallas-Fort Worth International	DFW	To / From	Dayton International	DAY	2702	Table 27
Washington National	DCA	To / From	Dayton International	DAY	2625	Table 29
San Antonio	SAT	To / From	Dallas-Fort Worth International	DFW	2465	Table 31
Valparaiso	VPS	To / From	Atlanta International	ATL	2204	Table 33
San Diego	SAN	To / From	Atlanta International	ATL	2159	Table 35
Pensacola Regional	PNS	To / From	Atlanta International	ATL	2154	Table 37
Los Angeles International	LAX	To / From	Albuquerque International	ABQ	2044	Table 39
Detroit - Wayne County	DTW	To / From	Kalamazoo	AZO	2019	Table 41
Chicago O'Hare International	ORD	To / From	Moline Quad City	MLI	2009	Table 43
Monterey Peninsula	MRJ	To / From	Los Angeles International	LAX	1962	Table 45
El Paso	ELP	To / From	Dallas-Fort Worth International	DFW	1928	Table 47
Baltimore-Washington	BWI	To / From	Atlanta International	ATL	1875	Table 49

International						
San Francisco International	SFO	To / From	Monterey Peninsula	MRY	1596	Table 51
Tucson International	TUS	To / From	Dallas-Fort Worth International	DFW	1591	Table 53
San Antonio	SAT	To / From	Atlanta International	ATL	1579	Table 55

Step 2: Selected morning and afternoon arrival/departure times on the same specified dates selected for each roundtrip destination identified above and compared the government air fare rates between DTS and all three (3) eTravel systems.

Step 3: Used 10 complex domestic roundtrip destinations (as provided by the GSA, shown in the table immediately below), and compared the presentation of the contract / policy compliant air fare rates between DTS and all three (3) eTravel services.

Table 2: Ten complex domestic roundtrip destinations (complex = city pairs without set GSA contract price)

Airport	City	Country/State		Airport	City	Country/State	Times Used	Reference
DTW	Detroit	MI	to/from	AZO	Kalamazoo	MI	2019	Table 41
DAY	Dayton	OH	to/from	CVG	Covington	KY	1302	Table 57
ATL	Atlanta	GA	to/from	ABY	Albany	GA	661	Table 59
GRK	Killeen	TX	to/from	DFW	Dallas/Ft.Worth	TX	422	Table 61
RIC	Richmond	VA	to/from	IAD	Washington	DC	381	Table 63
DTW	Detroit	MI	to/from	DAY	Dayton	OH	371	Table 65
CHO	Charlottesville	VA	to/from	CLT	Charlotte	NC	263	Table 67
HNL	Honolulu	HI	to/from	OGG	Kahului	HI	245	Table 69
MDW	Chicago	IL	to/from	SDF	Louisville	KY	233	Table 71
IAH	Houston	TX	to/from	SJT	San Angelo	TX	182	Table 73

Step 4: Used 10 overseas flights for flights originating or terminating in the continental United States, shown in the table immediately below, compared the government air fare rates between DTS and all three (3) eTravel services.

Table 3: Top 10 overseas flights originating or terminating within the continental United States

Airport	City	Country/ State		Airport	City	Country/ State	Times Used	Reference
FRA	Frankfurt	Germany	to/from	IAD	Washington	DC	451	Table 75
LHR	London	United Kingdom	to/from	IAD	Washington	DC	277	Table 77
FCO	Rome	Italy	to/from	PHL	Philadelphia	PA	116	Table 79
ICN	Seoul	South Korea	to/from	IAD	Washington	DC	86	Table 81
FRA	Frankfurt	Germany	to/from	PHL	Philadelphia	PA	71	Table 83
HNL	Honolulu	HI	to/from	NRT	Tokyo	Japan	174	Table 85
ORD	Chicago	IL	to/from	FRA	Frankfurt	Germany	90	Table 87
ATL	Atlanta	GA	to/from	FRA	Frankfurt	Germany	83	Table 89
ORD	Chicago	IL	to/from	LHR	London	United Kingdom	76	Table 91
IAD	Washington	DC	to/from	MUC	Munich	Germany	71	Table 93

Step 5: Analysis of any differences found in the above-described procedures to determine the reasons for the differences (e.g., performance issues, policy differences, contract differences, etc).

Step 6: Generation of a report providing the raw results from the comparative testing and summarizing the findings.

A comparative database was developed by The Corporate Solutions Group and Fare Audit, Inc. used to capture the fare output from each test and each system as described above. The analysis and results of the output from the database is provided as an appendix to this report.

4.0 System Overviews

As part of the eTravel/DTS Fare Audit, The CSG undertook a general review of system presentations and capabilities at the Government's request. This review focused solely upon behaviors and events appertaining to pricing and fare presentation. The CSG has not been commissioned to undertake a comprehensive performance or presentation audit, nor do we attempt to evaluate the characteristics of any system as measured against eTS or DTS program standards.

4.1 Parameter Settings

Each of the booking systems evaluated includes various internal settings that control the schedule and price choices that are presented to the user. Such settings are used to speed and focus flight selection in a manner that is consistent with the user's organizational goals and mission. The travel arranger's choices are controlled and organized by excluding those schedules that are programmatically screened as unacceptable, based upon these settings.

For purposes of this study, the Government provided live (or test, in the case of EDS) booking environment access. Such access was subject to the programmatic setting selections described above that have been established by the agency through which access was provided.

This information is relevant in that variances observed in faring responses must consider in light of booking parameters imposed by the user.

Specific parameter setting information as provided by the Government follows. We note that the Government advised that this information may not be wholly accurate in every detail.

4.1.1 DTS Settings

DTS Reservation Module

- DTS displays up to 12 unrestricted flights for each request (4 hour window for domestic, 12 hour window for international)
- Flight Availability (IAW DoD policy)
 - GSA contract carrier shown first (YCA) identified by "GSA City Pair" highlighted in green
 - GSA contract carrier (capacity controlled *CA) shown second identified by "GSA City Pair with restrictions" highlighted in yellow

These are sorted by price, identify if Govt or Non-Govt

- CRAF carriers offering government fares (me too, *DG)
- Non-CRAF carriers offering government fares
- Non-government fares (non-penalty, coach class fares)

4.1.2 FedTraveler Settings

Agency:	EDS Training Environment	
GDS Search window considered:		
	Hours prior to requested departure time	2 hours
	Hours after requested departure time	2 hours
Segments returned from GDS:		
	Minimum number	Zero
	Maximum number	As many as the GDS will return
Types of Fares Displayed: (Y or N)		
	CA (limited capacity)	Y
	YCA	Yes
	DG	Yes
	Unrestricted market fares	Yes
	Restricted market fares	Yes
	Penalty fares	Yes
	Business Class	Yes
	First Class	

4.1.3 GovTrip Settings

Agency:	Department of Treasury (Bureau of Public Debt)	
GDS Search window considered:		
	Hours prior to requested departure time	2 hours
	Hours after requested departure time	2 hours
Segments returned from GDS:		
	Minimum number	Zero
	Maximum number	As many as the GDS will return
Types of Fares Displayed: (Y or N)		
	CA (limited capacity)	Yes
	YCA	Yes
	DG	Yes
	Unrestricted market fares	Yes
	Restricted market fares	No
	Penalty fares	No
	Business Class	No
	First Class	No

4.1.4 E2 Solutions Settings

Agency:	National Business Center (Dept of Interior)	
GDS Search window considered:		
	Hours prior to requested departure time	2 hours
	Hours after requested departure time	2 hours
Segments returned from GDS:		
	Minimum number	Zero
	Maximum number	As many as the GDS will return
Types of Fares Displayed: (Y or N)		
	CA (limited capacity)	Yes
	YCA	Yes
	DG	Yes
	Unrestricted market fares	Yes
	Restricted market fares	Yes
	Penalty fares	Yes
	Business Class	Yes
	First Class	

4.2 Analysis and Notes

The system display parameters provide basic selection filtering but are not sufficient to explain some of the display information observed. For example, Case Study #1 (below) describes displays that include or exclude certain carriers (depending upon the system at issue). This behavior cannot be explained by configurable system parameters as disclosed for purposes of this audit and must, therefore, be attributed to design deficiencies or other display biases that are not controlled by the user.

Case Study #2 (below) discusses a price quote anomaly involving a Southwest Airlines schedule that is priced significantly below competing services. The data in this case reveal that the systems accurately quote the contract price, but do not quote the lowest market price in all cases. The behavior cannot be explained based upon configurable parameter settings and must be considered a design characteristic.

4.2.1 Display Notes

- a) All systems except E2 Solutions display the applicable fare basis code.
- b) DTS, GovTrip, and FedTraveler show both YCA and _CA when both are available. In most cases, E2 Solutions shows only _CA when it appears both are available.
- c) Both FedTraveler and E2 Solutions add fees when making connections, typically \$10.20 per connection. In some cases the fee applied was \$5.70. These are not considered errors for this study as long as fees are consistent with the \$10.20 or \$5.70.
- d) In some markets the base fare was reduced by \$4.19 when making a connection, regardless of the number of connections. This was considered an error for this study.
- e) It is not possible to determine the underlying GDS used to create the booking system displays, as this varies and the information is not made available through the user interface provided.
- f) First class and other premium (non-coach) services are not used to identify displays or quotes as errors throughout this study, unless comparisons are specifically and explicitly made on a premium service basis.
- g) Respecting international itineraries, given the display limitations of FedTraveler and E2 Solutions, it is impossible to tell if a correct rate is being applied because



the base rate cannot be viewed and the taxes and fees are inconsistent between different connection points.

5.0 Overall Findings

What follows is a summary of the CSG's audit findings. These findings are based upon the audit techniques and processes discussed in the report, as applied to the testing environments and samples made available to us. The audit addresses only a small subsection of potential transactions and does not evaluate actual passenger reservations.

These limitations may have an impact upon the findings of our analysis, and the actual experiences of live travelers in particular may differ. We do, however, believe that the scope of the audit as designed, provides adequate material for reasonable conclusions to be drawn as described herein. We have attempted to confine our observations to performance characteristics and results that may reasonably be adjudged to fall within the operational and sample limitations of the audit design.

For purposes of this analysis, we highlight representative examples extracted from the tabulated and raw audit results. Additional examples that support the conclusions may be found in the audit results appendix of this report.

Case Study #1: Washington - Columbus Market

Referring to Table 4 below, we see identical results displayed by DTS and GovTrip. We further see substantial variances in the availability of fares and schedules across the four systems, with DTS and GovTrip consistently displaying the lowest rates. However, as the systems are not consistent in the way they display taxes, charges, and other fees, direct comparisons based solely upon the table are not possible and some interpolation is unavoidable. Moreover, as E2 Solutions does not describe all relevant details pertaining to fares quoted (such as specific fare types), adequate information necessary to interpolate comparisons based solely upon fare displays (and table data) cannot be deduced.

Some of the larger variances appear to be attributable to round-trip quotes appearing intermixed with one-way. FedTraveler uniformly produces a more comprehensive array of choices, however based upon prices quoted, many of these appear to be marginally useful for Federal travelers. An analysis of system parameter settings applicable to FedTraveler (detailed in 4.1) does not yield a satisfactory explanation for the increased number of choices.

Of more interest are the significant variances in basic schedule and fare availability across the four systems. Note that, in no single instance, do all four systems offer prices for the same flight. This is attributable to the underlying fare and availability logic used by each system to construct its displays. However, in some instances there does not appear to be any identifiable explanation for the anomalies observed.

Case Study #2: Monterey - Los Angeles Market

Referring to Table 5 below, we saw somewhat more consistency in the displays, as all four systems offered two of the possible itineraries. Allowing for variances in the handling of taxes and fees, fares for these two itineraries (both are United Airlines schedules) are equivalent. Fed Traveler agreed with the E2 Solutions display, with the exception of the 6221/817 combination but also included other United Airlines flights at equivalent prices that all other systems omitted. Moreover, FedTraveler clearly prevailed by way of finding the lowest fare, by identifying a Southwest Airlines' service (1832) that priced a full 45% lower than any price quoted by the other systems.

The Southwest flight anomaly cannot be accounted for through parameter setting variances (4.1); there are few meaningful divergences between the systems expressed through such settings. Southwest availability will not typically appear in booking displays not derived from the Sabre GDS, however in this example the observed variance must be attributed to display logic deficiencies intrinsic to the booking tool. It is not possible to determine which GDS was the basis for any given display, based upon the information available through the audit user interfaces provided.

Table 5: MRY-LAX 21FEB05 (Case Study)

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	UA		\$84.00	\$78.14	\$5.86	\$10.20	\$16.06
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
MRYLAX21FEB9	UA6221/UA0817	Y	\$78.14		\$104.40	\$78.14
MRYLAX21FEB9	UA6221/UA0979	Y	\$78.14	\$104.40	\$104.40	\$78.14
MRYLAX21FEB9	UA6221/UA0886	Y	\$78.14	\$104.40	\$104.40	\$78.14
MRYLAX21FEB9	UA6221/UA0888	Y	\$78.14		\$104.40	\$78.14
MRYLAX21FEB9	UA6221/UA0858	Y			\$104.40	
MRYLAX21FEB9	UA6088	Y	\$78.14	\$94.20	\$94.20	\$78.14
MRYLAX21FEB9	US8244/US6327		\$240.00			\$240.00
MRYLAX21FEB9	US8244/US7251		\$240.00			\$240.00
MRYLAX21FEB9	US8244/UA0979		\$273.48			\$273.48
MRYLAX21FEB9	UA6139	Y		\$94.20	\$94.20	
MRYLAX21FEB9	WN1832			\$43.20		
MRYLAX21FEB9	UA6459/UA1265	Y		\$104.40	\$104.40	
MRYLAX21FEB9	UA6089	Y		\$94.20	\$94.20	
MRYLAX21FEB9	US8244/US6227			\$278.40		
MRYLAX21FEB9	HP6491/HP0702			\$255.40		
MRYLAX21FEB9	UA6221/US6064	N				\$232.55

Case Study #3: Chicago - London Market

Referring to Table 6 below, we see more inclusion of service options across the four systems than was observed in the domestic examples above. DTS and GovTrip offer both YCA (\$370) and WCA (\$202) on American 90, while FedTraveler and E2 Solutions appear to quote only WCA.² Curiously, all systems save GovTrip, omit American 86 entirely. GovTrip is also alone in offering competitively priced HGD service via the United combination or the direct service.

Table 6: ORD-LHR 21FEB05 (* Includes USD \$25.00 Fuel Surcharge) - (Case Study)

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	AA		\$345.00	\$370.00*	\$14.10	\$7.00	\$21.10
			CA				
			\$177.00	\$202.00*	\$14.10	\$7.00	\$21.10

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ORDLHR21FEB9	AA0090	X	\$202.00	\$223.10	\$223.10	\$202.00
ORDLHR21FEB9	AA0090	Y	\$370.00	\$391.10		\$370.00
ORDLHR21FEB9	UA0922					\$202.00

² This is a supposition only as all systems do not provide a fare basis code to enable complete analysis.

6.0 Comparison Matrices

Next follows the specific results of each market tested in accordance with this task. Please note that the Kalamazoo – Detroit market was provided for audit purposes twice; once in the 25 frequently traveled markets and again in the 10 complex markets. The results for that market are shown only once in this report.

6.1 25 Frequently Traveled Markets

Table 7: DCA-CMH 21FEB05

Contract/Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
US	\$149.00	\$138.60	\$10.40	\$10.20	\$20.60
CA	\$99.00	\$92.09	\$6.91	\$10.20	\$17.11

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DCACMH21FEB9	US1108/US3985	Y	\$134.41		\$164.90	\$134.41
DCACMH21FEB9	NW0227/NW0277		\$87.90	\$114.90		\$87.90
DCACMH21FEB9	DL5159		\$92.09	\$109.20		\$92.09
DCACMH21FEB9	NW0229		\$92.09	\$112.40		\$92.09
DCACMH21FEB9	NW0229			\$216.20	\$216.20	
DCACMH21FEB9	AA4688/AA4643		\$101.39	\$222.40		\$101.39
DCACMH21FEB9	UA0607/UA0384		\$137.68	\$168.40		\$137.68
DCACMH21FEB9	AA4780/AA4878		\$142.33	\$171.90		\$142.33
DCACMH21FEB9	NW5125/NW5481		\$391.63	\$389.40		\$391.63
DCACMH21FEB9	US3327	X		\$109.20	\$109.20	
DCACMH21FEB9	US3327	Y		\$159.20		
DCACMH21FEB9	US0001/US4931	X		\$114.90	\$114.90	
DCACMH21FEB9	US0001/US4931	Y		\$164.90		
DCACMH21FEB9	US0782/US0149	X		\$119.40	\$119.40	
DCACMH21FEB9	US0782/US0149	Y		\$169.40		
DCACMH21FEB9	CO5227/CO5277					\$400.00
DCACMH21FEB9	DL6653			\$382.40		
DCACMH21FEB9	CO2216/CO3489			\$403.90		
DCACMH21FEB9	UA2962/UA4085			\$403.90		\$385.11
DCACMH21FEB9	UA2054/UA1839			\$598.90		
DCACMH21FEB9	NW6947/NW7053			\$387.90		
DCACMH21FEB9	UA2959/UA2243			\$714.90		



DCACMH21FEB9	AA4776/AA4871	\$211.90
DCACMH21FEB9	CO2308/CO2217	\$400.90
DCACMH21FEB9	DL1405/DL6457	\$384.90

Figure 1: DCA-CMH STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed CA CP	4	1	25.0%	1	25.0%	3	75.0%	1	25.0%
Fares Displayed	3	0	0.0%	0	0.0%	3	100.0%	3	100.0%
Total CP Fares Displayed for CC	7	1	14.3%	1	14.3%	6	85.7%	4	57.1%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	0	0.0%	6	600.0%	4	66.7%	0	0.0%
	0								
	0.0%								

Table 8: CMH-DCA 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
US	\$149.00	\$138.60	\$10.40	\$10.20	\$20.60
CA	\$99.00	\$92.09	\$6.91	\$10.20	\$17.11

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
CMHDCA22FEB9	US4931/US0332/US2381	Y	\$134.41			
CMHDCA22FEB9	US4931/US1419	Y	\$134.41	\$164.90	\$164.90	\$134.41
CMHDCA22FEB9	US3324	Y	\$138.60	\$159.20	\$159.20	\$138.60



CMHDCA22FEB9	NW1120/NW0228		\$87.90		\$87.90
CMHDCA22FEB9	DL5157		\$92.09	\$109.20	\$92.09
CMHDCA22FEB9	UA3230/UA2975		\$92.09	\$117.90	\$92.09
CMHDCA22FEB9	AA4704/AA4630		\$101.39	\$331.40	\$101.39
CMHDCA22FEB9	AA4858/AA4783		\$142.33	\$171.90	\$142.33
CMHDCA22FEB9	DL6298/DL1878		\$385.58	\$434.90	\$385.58
CMHDCA22FEB9	NW5214/NW6824		\$391.63		\$391.63
CMHDCA22FEB9	US0860	X		\$109.20	\$109.20
CMHDCA22FEB9	US0860	Y		\$159.20	
CMHDCA22FEB9	US4302/US0165	X			\$114.90
CMHDCA22FEB9	US1402/US3191	X		\$119.40	\$119.40
CMHDCA22FEB9	US1402/US3191	Y		\$169.40	
CMHDCA22FEB9	US1295/US2381	X		\$119.40	\$119.40
CMHDCA22FEB9	US1295/US2381	Y		\$169.40	
CMHDCA22FEB9	CO0452/CO0807			\$403.90	
CMHDCA22FEB9	UA2135/UA1865			\$598.90	
CMHDCA22FEB9	CO5265/CO5228			\$405.40	
CMHDCA22FEB9	CO2134/CO2844			\$400.90	
CMHDCA22FEB9	NW0274/NW0236			\$114.90	
CMHDCA22FEB9	DL1176/DL1291			\$434.90	
CMHDCA22FEB9	CO6450/CO5238			\$450.40	
CMHDCA22FEB9	NW3498/NW0230			\$114.90	

Figure 2: CMH-DCA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	6	3	50.0%	2	33.3%	5	83.3%	2	33.3%
YCA City-Pair (CP) Fares Displayed	4	0	0.0%	0	0.0%	3	75.0%	4	100.0%
Total CP Fares Displayed for CC	10	3	30.0%	2	20.0%	8	80.0%	6	60.0%
CC Flights Displaying Correct CP Rate	N/A	1	33.3%	1	50.0%	8	100.0%	6	100.0%



Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	2				
	20.0%				

Table 9: DCA-ATL 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	DL		\$295.00	\$274.42	\$20.58	\$10.20	\$30.78
			CA				
			\$225.00	\$209.30	\$15.70	\$10.20	\$25.90

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DCAATL21FEB9	DL5379/DL4347	Y	\$274.42			\$274.42
DCAATL21FEB9	DL0454	X	\$209.30	\$235.20	\$235.20	\$209.30
DCAATL21FEB9	DL0454	Y	\$274.42	\$305.20		\$274.42
DCAATL21FEB9	US1615/FL0093		\$146.97			
DCAATL21FEB9	US0457/US2223		\$148.84			\$148.84
DCAATL21FEB9	NW1606/NW0461		\$205.11			\$205.11
DCAATL21FEB9	NW1795/NW0818		\$209.30			\$209.30
DCAATL21FEB9	UA2053/UA3280		\$209.30	\$243.90		\$209.30
DCAATL21FEB9	CO2761/CO1165		\$218.60			\$218.60
DCAATL21FEB9	DL4273	Y		\$305.20	\$305.20	
DCAATL21FEB9	DL0267	X		\$235.20	\$235.20	
DCAATL21FEB9	DL0267	Y		\$305.20		
DCAATL21FEB9	DL0925	X		\$235.20	\$235.20	
DCAATL21FEB9	DL0925	Y		\$305.20		
DCAATL21FEB9	DL1897	X		\$134.20	\$235.20	
DCAATL21FEB9	DL0829	X		\$235.20		
DCAATL21FEB9	DL0829	Y		\$305.20		
DCAATL21FEB9	US1801			\$134.20		
DCAATL21FEB9	FL0183			\$134.20		
DCAATL21FEB9	US1803			\$134.20		
DCAATL21FEB9	FL0189			\$134.20		
DCAATL21FEB9	NW5533/NW5362			\$359.40		
DCAATL21FEB9	AA1843/AA1145			\$258.40		\$360.93
DCAATL21FEB9	US1615/TZ0093					\$146.97



Figure 3: DCA-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	6	2	33.3%	2	33.3%	5	83.3%	1	16.7%
CA CP Fares Displayed	5	1	20.0%	1	20.0%	5	100.0%	4	80.0%
Total CP Fares Displayed for CC	11	3	27.3%	3	27.3%	10	90.9%	5	45.5%
CC Flights Displaying Correct CP Rate	N/A	3	100.0%	3	100.0%	9	90.0%	5	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1 9.1%								

Table 10: ATL-DCA 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
DL	\$295.00	\$274.42	\$20.58	\$10.20	\$30.78	
	CA	\$225.00	\$209.30	\$15.70	\$10.20	\$25.90

CITYPAIR	TOTALFLIGHTS	Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ATLDCA22FEB9	DL0772	Y	\$274.42	\$305.20	\$305.20	\$274.42
ATLDCA22FEB9	DL4840/DL5480	X	\$209.30			\$209.30
ATLDCA22FEB9	DL0690	X	\$209.30	\$235.20	\$235.20	\$209.30
ATLDCA22FEB9	US1684		\$148.84	\$134.20		\$148.84
ATLDCA22FEB9	NW0476/NW0236		\$205.11	\$489.40		\$205.11
ATLDCA22FEB9	DL1732/US3049	N	\$337.67			\$337.67



ATLDCA22FEB9	DL0350/DL5346	N	\$709.77			\$709.77
ATLDCA22FEB9	CO5476/COS236		\$775.81			\$775.81
ATLDCA22FEB9	DL1464	X		\$235.20	\$235.20	
ATLDCA22FEB9	DL1874	X		\$235.20	\$235.20	
ATLDCA22FEB9	DL1188	Y		\$305.20	\$305.20	
ATLDCA22FEB9	DL0540	Y		\$305.20	\$305.20	
ATLDCA22FEB9	FL0184			\$134.20		
ATLDCA22FEB9	US1816			\$134.20		
ATLDCA22FEB9	CO1154/CO2160			\$217.90		
ATLDCA22FEB9	US0490/US0178			\$142.90		
ATLDCA22FEB9	NW0476/NW2036					
ATLDCA22FEB9	AA2005/AA1502					\$562.79
ATLDCA22FEB9	AA2263/AA1446					\$853.96

Figure 4: ATL-DCA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City- Pair (CP) Fares Displayed	3	1	33.3%	1	33.3%	3	100.0%	3	100.0%
CA CP Fares Displayed	4	2	50.0%	2	50.0%	3	75.0%	3	75.0%
Total CP Fares Displayed for CC	7	3	42.9%	3	42.9%	6	85.7%	6	85.7%
CC Flights Displaying Correct CP Rate	N/A	3	100.0%	3	100.0%	6	100.0%	6	100.0%
Identical CP Flights Appearing in all 4 Systems	2								

% of Identical CP Flights Appearing in all 4 Systems	28.6%				
--	-------	--	--	--	--

Table 11: PFN-ATL 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$270.00	\$251.16	\$18.84	\$10.20	\$29.04
	CA				
	\$230.00	213.95	\$16.05	\$10.20	\$26.25

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip

No flights w/in policy

Figure 5: PFN-ATL STTISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CC Flights Displaying Correct CP Rate	N/A	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Identical CP Flights Appearing in all 4 Systems	0								
% of Identical CP Flights Appearing	0.0%								



in all 4 Systems					
------------------	--	--	--	--	--

Table 12: ATL-PFN 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
DL	\$102.00	\$94.88	\$7.12	\$10.20	\$17.32	
	CA	\$67.00	\$62.33	\$4.67	\$10.20	\$14.87

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
ATLPNS22FEB9	DL1079	X	\$62.33	\$77.20	\$77.20	\$62.33
ATLPNS22FEB9	DL1079	Y	\$94.88	\$112.20		\$94.88
ATLPNS22FEB9	DL1143/DL6424	X	\$62.33	\$87.40	\$87.40	\$62.33
ATLPNS22FEB9	DL1143/DL6424	Y		\$122.40		
ATLPNS22FEB9	AA1981/AA3829		\$304.19	\$347.40		\$304.19
ATLPNS22FEB9	FL0557/CO9216		\$319.07			\$319.07
ATLPNS22FEB9	FL0177/DL6339	N	\$325.58	\$368.90		
ATLPNS22FEB9	DL1872/DL6592	N	\$343.26	\$199.90		\$343.26
ATLPNS22FEB9	DL4856	X		\$77.20	\$77.20	
ATLPNS22FEB9	DL4856	Y		\$112.20		
ATLPNS22FEB9	DL0281	X		\$77.20	\$77.20	
ATLPNS22FEB9	DL0281	Y		\$112.20		
ATLPNS22FEB9	DL4841	Y		\$112.20	\$112.20	
ATLPNS22FEB9	FL0177/DL6359	N				\$325.58
ATLPNS22FEB9	DL1872/NW3678	N				\$364.65
ATLPNS22FEB9	DL4326/DL2603	N		\$704.90		
ATLPNS22FEB9	FL0421			\$159.20		
ATLPNS22FEB9	NW0819/NW3678			\$291.90		
ATLPNS22FEB9	US0582/US2212			\$250.90		
ATLPNS22FEB9	CO2873/CO3329			\$609.90		
ATLPNS22FEB9	FL0125/DL6424	N		\$348.40		\$305.12
ATLPNS22FEB9	AA1197/AA3827			\$347.40		
ATLPNS22FEB9	US2714/US2211			\$250.90		

Figure 6: ATL-PFN STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%



CA CP Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	1	100.0%
Total CP Fares Displayed for CC	2	2	100.0%	2	100.0%	2	100.0%	1	50.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	2	100.0%	1	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								50.0%

Table 13: DFW-DCA 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA	\$291.00	\$270.70	\$20.30	\$10.20	\$30.50
	CA				
	\$188.00	\$174.88	\$13.12	\$10.20	\$23.32

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DFWDCA21FEB9	AA1144	Y	\$270.70	\$301.20	\$301.20	\$270.70
DFWDCA21FEB9	AA2332/AA1482	Y	\$270.70	\$311.40	\$311.40	\$270.70
DFWDCA21FEB9	UA0646/UA0614		\$171.17	\$204.40		\$171.17
DFWDCA21FEB9	TZ4222/TZ4290		\$183.23			\$183.26
DFWDCA21FEB9	US1152		\$184.18	\$211.40		\$184.18
DFWDCA21FEB9	AA0704/AA4783	N	\$342.32	\$333.90		
DFWDCA21FEB9	AA3581/US2270	N	\$342.32	\$388.40		\$342.32
DFWDCA21FEB9	AA1226/AA4633	Y		\$311.40	\$311.40	
DFWDCA21FEB9	AA0704/AA0473	N				\$342.32
DFWDCA21FEB9	CO1130/CO2160					\$344.19
DFWDCA21FEB9	CO1981/CO1058					\$504.18
DFWDCA21FEB9	AA0710/AA4787	N		\$406.90		
DFWDCA21FEB9	AA0492/AA4755	N		\$619.90		



DFWDCA21FEB9	UA1250/UA0782	\$133.90
DFWDCA21FEB9	US1834	\$208.20
DFWDCA21FEB9	US1814	\$208.20
DFWDCA21FEB9	FL4294	\$342.40
DFWDCA21FEB9	CO0258	\$512.40
DFWDCA21FEB9	UA2907/UA2005	\$482.90
DFWDCA21FEB9	UA1250/UA0610	\$204.40
DFWDCA21FEB9	FL4222/FL4290	\$306.90
DFWDCA21FEB9	CO3264/CO0508	\$487.40

Figure 7: DFW-DCA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares									
Displayed CA CP Fares	3	2	66.7%	2	66.7%	3	100.0%	3	100.0%
Displayed CP Fares	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	3	2	66.7%	2	66.7%	3	100.0%	3	100.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	3	100.0%	3	100.0%
Identical CP Flights Appearing in all 4 Systems	2								
% of Identical CP Flights Appearing in all 4 Systems	66.7%								

Table 14: DCA-DFW 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA	\$291.00	\$270.70	\$20.30	\$10.20	\$30.50
	CA				



\$188.00 \$174.88 \$13.12 \$10.20 \$23.32

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				
DCADFW22FEB9	AA1607	Y		\$270.70	\$301.20	\$301.20	\$270.70
DCADFW22FEB9	AA1319/AA2309	Y		\$270.70			\$270.70
DCADFW22FEB9	AA1039/AA1245	Y		\$270.70			
DCADFW22FEB9	AA0419	X		\$174.88	\$198.20	\$198.20	\$174.88
DCADFW22FEB9	AA0419	Y			\$301.20		
DCADFW22FEB9	AA1319/UA7740	N		\$180.47			\$180.47
DCADFW22FEB9	US0001/US1617			\$179.99			
DCADFW22FEB9	US1815			\$184.18	\$208.20		\$184.18
DCADFW22FEB9	US0001/AA1067	N		\$366.51			\$366.51
DCADFW22FEB9	AA0347	X			\$198.20	\$198.20	
DCADFW22FEB9	AA0347	Y			\$301.20		
DCADFW22FEB9	TZ4295				\$283.40		
DCADFW22FEB9	AA1843/AA2317	X			\$208.40		
DCADFW22FEB9	AA1843/AA2317	Y			\$311.40		
DCADFW22FEB9	AA0467/AA2321	X			\$208.40		
DCADFW22FEB9	AA0467/AA2321	Y			\$311.40		
DCADFW22FEB9	AA4455/AA1449	N			\$377.90		
DCADFW22FEB9	AA4640/AA0405	Y			\$311.40	\$311.40	
DCADFW22FEB9	AA0851	Y			\$301.20	\$301.20	
DCADFW22FEB9	DL0454/DL1114				\$514.90		
DCADFW22FEB9	AA1587	X			\$198.20	\$198.20	
DCADFW22FEB9	AA1587	Y			\$301.20		
DCADFW22FEB9	UA2053/UA2287				\$482.90		
DCADFW22FEB9	HP0372/HP0395				\$451.40		
DCADFW22FEB9	UA0609/UA1105				\$204.40		
DCADFW22FEB9	US1108/US1642				\$213.90		
DCADFW22FEB9	US1825/US7055				\$218.40		
DCADFW22FEB9	UA2105/AA1067	N					\$366.51

Figure 8: DCA-DFW STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	10	3	30.0%	2	20.0%	8	80.0%	3	30.0%
YCA City-Pair (CP) Fares Displayed	5	1	20.0%	1	20.0%	5	100.0%	3	60.0%
Total CP Fares	15	4	26.7%	3	20.0%	13	86.7%	6	40.0%

Displayed for CC									
CC Flights Displaying Correct CP Rate	N/A	4	100.0%	3	100.0%	13	100.0%	6	100.0%
Identical CP Flights Appearing in all 4 Systems	2								
% of Identical CP Flights Appearing in all 4 Systems	13.3%								

Table 15: ORD-DAY 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	AA		\$95.00	\$88.37	\$6.63	\$10.20	\$16.83
			CA				
			\$55.00	\$51.16	\$3.84	\$10.20	\$14.04

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2-Solutions	GovTrip
ORDDAY21FEB9	AA4309	X	\$51.16	\$65.20	\$65.20	\$51.16
ORDDAY21FEB9	AA4309	Y	\$88.37	\$105.20		\$88.37
ORDDAY21FEB9	AA4313	X			\$65.20	
ORDDAY21FEB9	NW1238/NW3163		\$46.97	\$70.90		\$46.97
ORDDAY21FEB9	CO2291/CO2164		\$56.27	\$80.90		\$56.27
ORDDAY21FEB9	DL0915/DL5057		\$84.18	\$110.90		\$84.18
ORDDAY21FEB9	UA6938		\$88.37	\$105.20		\$88.37
ORDDAY21FEB9	NW1240/NW5849			\$70.90		
ORDDAY21FEB9	NW0125/NW5659			\$308.40		
ORDDAY21FEB9	CO6570/CO7414			\$481.40		
ORDDAY21FEB9	UA0608/UA7885			\$273.40		
ORDDAY21FEB9	DL1643/DL5746			\$339.40		
ORDDAY21FEB9	UA0360/UA7885			\$376.40		
ORDDAY21FEB9	US7915			\$75.20		
ORDDAY21FEB9	US5894/CO2164					\$355.35

Figure 9: ORD-DAY STATISTICAL SUMMARY



Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%
_CA CP Fares Displayed	2	1	50.0%	1	50.0%	1	50.0%	2	100.0%
Total CP Fares Displayed for CC	3	2	66.7%	2	66.7%	2	66.7%	2	66.7%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	2	100.0%	2	100.0%	2	100.0%	2	100.0%
	1								
	33.3%								

Table 16: DAY-ORD 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA	\$95.00	88.37	\$6.63	\$10.20	\$16.83
	CA				
	\$55.00	\$51.16	\$3.84	\$10.20	\$14.04

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DAYORD22FEB9	AA4313	X	\$51.16	\$65.20	\$65.20	\$51.16
DAYORD22FEB9	AA4313	Y	\$88.37	\$105.20		\$88.37
DAYORD22FEB9	NW3168/NW1239		\$46.97			\$46.97
DAYORD22FEB9	UA6978		\$51.16			\$51.16
DAYORD22FEB9	CO7421/CO5517		\$386.98	\$436.40		\$386.98
DAYORD22FEB9	DL5756/DL5464		\$424.65			\$424.65
DAYORD22FEB9	US7495		\$438.14	\$436.20		\$438.14
DAYORD22FEB9	DL5756/DL5370/US7458		\$643.25			\$643.25



DAYORD22FEB9	DL5756/DL5747/US8346	\$692.56		\$692.56
DAYORD22FEB9	DL5756/DL5463		\$476.90	
DAYORD22FEB9	NW3160/NW1557		\$431.90	
DAYORD22FEB9	DL5753/DL0969		\$70.90	
DAYORD22FEB9	CO7411/CO6453		\$436.40	
DAYORD22FEB9	DL5754/UA5425		\$489.40	
DAYORD22FEB9	UA6976		\$105.20	
DAYORD22FEB9	UA1225		\$65.20	
DAYORD22FEB9	DL5756/DL5747/UA6918	\$692.56		\$692.56

Figure 10 DAY-ORD STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City- Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%
_CA CP Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	1	100.0%
Total CP Fares Displayed for CC	2	2	100.0%	2	100.0%	2	100.0%	1	50.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A 50.0%	2	100.0%	2	100.0%	2	100.0%	1	100.0%

Table 17: DAY-ATL 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$100.00	\$93.02	\$6.98	\$10.20	\$17.18
CA					



\$70.00 \$65.12 \$4.88 \$10.20 \$15.08

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DAYATL21FEB9	DL0351	X	\$65.12	\$80.20	\$80.20	\$65.12
DAYATL21FEB9	DL0351	Y	\$93.02	\$110.20		\$93.02
DAYATL21FEB9	US3515/US3501		\$197.67	\$232.90		\$197.67
DAYATL21FEB9	US2207/US2929		\$201.86	\$235.90		\$201.86
DAYATL21FEB9	DL1210	X		\$80.20	\$80.20	
DAYATL21FEB9	DL1210	Y		\$110.20		
DAYATL21FEB9	DL4269	X		\$80.20	\$80.20	
DAYATL21FEB9	DL4269	Y		\$110.20		\$93.02
DAYATL21FEB9	DL5753/DL1770	X			\$85.90	
DAYATL21FEB9	DL5753/DL0325	X			\$85.90	
DAYATL21FEB9	CO2288/CO2000			\$182.90		
DAYATL21FEB9	FL0711			\$177.20		
DAYATL21FEB9	NW5833/NW0461			\$384.90		
DAYATL21FEB9	NW5753/NW0818			\$384.90		
DAYATL21FEB9	US7495/US6474			\$635.40		
DAYATL21FEB9	US7890/AA1145			\$535.40		
DAYATL21FEB9	AA4313/AA0725			\$125.90		
DAYATL21FEB9	FL0444/FL0471			\$182.90		
DAYATL21FEB9	UA1225/UA7020			\$247.90		
DAYATL21FEB9	AA4314/AA1145			\$204.40		\$211.62
DAYATL21FEB9	CO7411/CO5467			\$187.40		
DAYATL21FEB9	DL7268/DL6814	N		\$247.90		
DAYATL21FEB9	DL5753/DL1617	X		\$85.90		
DAYATL21FEB9	DL5753/DL1617	Y		\$115.90		
DAYATL21FEB9	UA6976/AA1145					\$133.95
DAYATL21FEB9	UA6978/UA0454					\$177.67
DAYATL21FEB9	UA3391/DL1055	N				\$265.12
DAYATL21FEB9	US3515/UA4232					\$388.84

Figure 11: DAY-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares									
Displayed CA CP Fares	4	1	25.0%	2	50.0%	4	100.0%	0	0.0%
Displayed Total CP Fares	6	1	16.7%	1	16.7%	4	66.7%	5	83.3%
Total CP Fares	10	2	20.0%	3	30.0%	8	80.0%	5	50.0%



Displayed for CC									
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	3	100.0%	8	100.0%	5	100.0%
Identical CP Flights Appearing in all 4 Systems	1								
% of Identical CP Flights Appearing in all 4 Systems	10.0%								

Table 18: ATL-DAY 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$100.00	\$93.02	\$6.98	\$10.20	\$17.18
	CA				
	\$70.00	\$65.12	\$4.88	\$10.20	\$15.08

CITYPAIRTIME	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ATLDAY22FEB9	DL0307/DL5057	Y	\$88.83	\$115.90	\$115.90	\$88.83
ATLDAY22FEB9	DL4269	Y	\$93.02	\$110.20	\$110.20	\$93.02
ATLDAY22FEB9	DL1735	X	\$65.12	\$80.20	\$80.20	\$65.12
ATLDAY22FEB9	DL1735	Y		\$110.20		
ATLDAY22FEB9	NW0464/NW3161		\$60.93	\$85.90		\$60.93
ATLDAY22FEB9	US1679/US2392		\$70.23	\$95.90		\$70.23
ATLDAY22FEB9	US0490/US2224		\$74.42	\$98.90		\$74.42
ATLDAY22FEB9	DL1632/AA4195	N	\$124.65			\$124.65
ATLDAY22FEB9	DL0305/DL5756	X			\$85.90	
ATLDAY22FEB9	FL0700			\$177.20		
ATLDAY22FEB9	NW0476/NW5849			\$85.90		
ATLDAY22FEB9	AA2263/AA3821			\$507.40		
ATLDAY22FEB9	CO4142/CO2164			\$104.90		
ATLDAY22FEB9	US6503/US7916			\$174.40		
ATLDAY22FEB9	FL0184/FL0459			\$255.40		
ATLDAY22FEB9	DL0807/DL7915	N		\$164.40		
ATLDAY22FEB9	NW1429/NW5659			\$334.40		



ATLDAY22FEB9	AA4443/AA4319			\$95.90	
ATLDAY22FEB9	FL1706			\$177.20	
ATLDAY22FEB9	DL0807/UA5606	N			\$124.65
ATLDAY22FEB9	UA0553/AA4195				\$124.65
ATLDAY22FEB9	US6503/AA4195				\$133.95

Figure 12: ATL-DAY STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed CA CP	3	2	66.7%	2	66.7%	3	100.0%	2	66.7%
Fares Displayed Total CP Fares Displayed for CC	2	1	50.0%	1	50.0%	1	50.0%	2	100.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	2	66.7%	2	66.7%	4	100.0%	4	100.0%
	3								
	60.0%								

Table 19: ORF-ATL 21FEB05
ORF TO ATL 2/21/2005

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$255.00	\$237.21	\$17.79	\$8.70	\$26.49
	CA				
	\$200.00	\$186.05	\$13.95	\$8.70	\$22.65



CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ORFATL21FEB9	DL1194	X	\$186.05	\$208.70	\$208.70	\$186.05
ORFATL21FEB9	DL1194	Y	\$237.21	\$263.70		\$237.21
ORFATL21FEB9	NW1451/NW0467		\$181.86	\$287.90		\$181.86
ORFATL21FEB9	US8172/US8130		\$195.35	\$228.90		\$195.35
ORFATL21FEB9	US1052/US2223		\$195.35	\$227.40		\$195.35
ORFATL21FEB9	US2266/US1803		\$195.35	\$228.90		\$195.35
ORFATL21FEB9	UA1891/UA3280		\$237.21			\$237.21
ORFATL21FEB9	AA1465/AA1948		\$346.04			\$346.04
ORFATL21FEB9	US1041/DL0551	N	\$366.51			\$366.51
ORFATL21FEB9	DL223	X		\$208.70	\$208.70	
ORFATL21FEB9	DL223	Y		\$263.70		
ORFATL21FEB9	DL1737	X		\$208.70	\$208.70	
ORFATL21FEB9	DL1737	Y		\$263.70		
ORFATL21FEB9	DL0273	X		\$208.70	\$208.70	
ORFATL21FEB9	DL0273	Y		\$263.70		
ORFATL21FEB9	UA2740/UA3233			\$272.40		
ORFATL21FEB9	CO2367/CO4296			\$316.40		
ORFATL21FEB9	UA2994/DL0551	N				\$366.51
ORFATL21FEB9	DL1091/DL0686	N		\$618.90		
ORFATL21FEB9	AA1465/AA1868			\$390.90		
ORFATL21FEB9	US8171/US8159			\$228.90		
ORFATL21FEB9	DH1766/DH1192			\$202.90		

Figure 13: ORF-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed CA CP	4	1	25.0%	1	25.0%	4	100.0%	0	0.0%
Fares Displayed	4	1	25.0%	1	25.0%	4	100.0%	4	100.0%
Total CP Fares Displayed for CC	8	2	25.0%	2	25.0%	8	100.0%	4	50.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	8	100.0%	4	100.0%



Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1					
	12.5%					

Table 20: ATL-ORF 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$255.00	\$237.21	\$17.79	\$10.20	\$27.99
	CA				
	\$200.00	\$186.05	\$13.95	\$10.20	\$24.15

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ATLORF22FEB9	DL1054	Y	\$237.21	\$265.20		\$237.21
ATLORF22FEB9	DL1054	X	\$186.05	\$210.20	\$210.20	\$186.05
ATLORF22FEB9	DL1599/DL5048	X	\$181.86	\$215.90		\$181.86
ATLORF22FEB9	DL1599/DL5048	Y		\$270.90		
ATLORF22FEB9	UA5926/UA7992		\$181.86	\$198.90		\$181.86
ATLORF22FEB9	DL0967/US4681	N	\$193.48			\$193.48
ATLORF22FEB9	US0204/US4077		\$195.35			\$195.35
ATLORF22FEB9	US1684/US2345		\$195.35	\$230.40		\$195.35
ATLORF22FEB9	US0490/US2987		\$195.35	\$228.90		\$195.35
ATLORF22FEB9	UA2455/UA2384		\$237.21	\$273.90		\$237.21
ATLORF22FEB9	UA2481/UA3442		\$237.21	\$275.40		\$237.21
ATLORF22FEB9	DL0442	X		\$210.20	\$210.20	
ATLORF22FEB9	DL0442	Y		\$265.20		
ATLORF22FEB9	DL1870	X		\$210.20	\$210.20	
ATLORF22FEB9	DL1870	Y		\$265.20		
ATLORF22FEB9	DL0307/DL5049	X		\$215.90		
ATLORF22FEB9	DL0307/DL5049	Y		\$270.90		
ATLORF22FEB9	US1679/US4454			\$497.40		
ATLORF22FEB9	US2860/US4045			\$230.40		
ATLORF22FEB9	CO4142/CO2623			\$314.90		
ATLORF22FEB9	CO5464/CO6448			\$319.40		
ATLORF22FEB9	CO2873/CO2780			\$543.90		
ATLORF22FEB9	AA1657/AA0514			\$486.40		



Figure 14: ATL-ORF STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	5	1	20.0%	1	20.0%	5	100.0%	0	0.0%
YCA City-Pair (CP) Fares Displayed	5	2	40.0%	2	40.0%	5	100.0%	3	60.0%
Total CP Fares Displayed for CC	10	3	30.0%	3	30.0%	10	100.0%	3	30.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	2	66.7%	2	66.7%	10	100.0%	3	100.0%
	1								
	10.0%								

Table 21: DTW-DCA 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
NW	\$289.00	\$268.84	\$20.16	\$10.20	\$30.36
	CA				
	\$206.00	\$191.63	\$14.37	\$10.20	\$24.57

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2.Solutions	GovTrip
DTWDCA21FEB9	NW0238	X	\$191.63	\$216.20	\$216.20	\$191.63
DTWDCA21FEB9	NW0238	Y	\$268.84	\$299.20		\$268.84
DTWDCA21FEB9	UA0331/UA0603		\$120.00			
DTWDCA21FEB9	AA1775/AA1448		\$129.30			\$129.30
DTWDCA21FEB9	DL5199/DL1878		\$187.44			\$187.44
DTWDCA21FEB9	UA1880/UA1865		\$191.63	\$224.90		\$191.63



DTWDCA21FEB9	CO3299/CO2160		\$200.93	\$234.90		\$200.93
DTWDCA21FEB9	NW0382/US2029	N	\$297.67			\$297.67
DTWDCA21FEB9	NW0234	X		\$216.20	\$216.20	
DTWDCA21FEB9	NW0234	Y		\$299.20		
DTWDCA21FEB9	NW0228	X		\$216.20	\$216.20	
DTWDCA21FEB9	NW0228	Y		\$299.20		
DTWDCA21FEB9	NW0236	X			\$216.20	
DTWDCA21FEB9	NW3501/NW9128	N		\$268.40	\$568.40	
DTWDCA21FEB9	US1865			\$466.20		
DTWDCA21FEB9	NW1133/NW6824	N		\$611.40		
DTWDCA21FEB9	NK0202			\$89.20		
DTWDCA21FEB9	US1879			\$466.20		
DTWDCA21FEB9	UA0331/UA0608			\$149.40		\$120.00
DTWDCA21FEB9	AA4084/AA4783			\$231.90		
DTWDCA21FEB9	UA4149/UA2005			\$224.90		
DTWDCA21FEB9	NW1918/US0165	N				\$368.38
DTWDCA21FEB9	NW1918/UA2118	N				\$368.38

Figure 15: DTW-DCA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares									
Displayed CA CP Fares	3	1	33.3%	1	33.3%	3	100.0%	0	0.0%
Displayed Total CP Fares	4	1	25.0%	1	25.0%	3	75.0%	4	100.0%
Displayed for CC	7	2	28.6%	2	28.6%	6	85.7%	4	57.1%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	6	100.0%	4	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4	1								
	14.3%								



Systems					
---------	--	--	--	--	--

Table 22: DCA-DTW 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
NW			\$289.00	\$268.84	\$20.16	\$10.20	\$30.36
	CA		\$206.00	\$191.63	\$14.37	\$10.20	\$24.57

CITYPAIR	TOTALFLIGHTS	Contract					
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip	
DCADTW22FEB9	NW0227	X	\$191.63	\$216.20		\$216.20	\$191.63
DCADTW22FEB9	NW0227	Y	\$268.84	\$299.20			\$268.84
DCADTW22FEB9	UA0607/UA5461		\$120.00	\$149.40			\$120.00
DCADTW22FEB9	AA4778/AA4861		\$171.16				\$171.16
DCADTW22FEB9	DL0481/DL5203		\$187.44				\$187.44
DCADTW22FEB9	UA2155/UA3501		\$191.63	\$226.40			\$191.63
DCADTW22FEB9	US2265/NW1451	N	\$376.75				\$376.75
DCADTW22FEB9	NW4789/NW1010	N	\$386.97	\$436.40			\$386.97
DCADTW22FEB9	CO2457/NW3099	N	\$388.84				\$388.84
DCADTW22FEB9	NW0811	X		\$216.20		\$216.20	
DCADTW22FEB9	NW1606	X		\$216.20		\$216.20	
DCADTW22FEB9	NW1606	Y		\$299.20			
DCADTW22FEB9	NW0229	X		\$216.20		\$216.20	
DCADTW22FEB9	NW5533/NW3099	N		\$611.40		\$611.40	
DCADTW22FEB9	NW8865/NW2858	N		\$228.40			
DCADTW22FEB9	NW5125/NW1679	N		\$611.40			
DCADTW22FEB9	UA2155/US3517						\$414.89
DCADTW22FEB9	US1853			\$466.20			
DCADTW22FEB9	US1855			\$466.20			
DCADTW22FEB9	AA4478/AA4861			\$202.90			
DCADTW22FEB9	AA4782/AA4880			\$202.90			
DCADTW22FEB9	US2429/NW1575	N		\$609.40			

Figure 16 DCA-DTW STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	2	1	50.0%	1	50.0%	2	100.0%	0	0.0%



CA CP Fares Displayed	4	1	25.0%	1	25.0%	4	100.0%	4	100.0%
Total CP Fares Displayed for CC	6	2	33.3%	2	33.3%	6	100.0%	4	66.7%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	6	100.0%	4	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								16.7%

Table 23: DFW-ABQ 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA	\$144.00	\$133.95	\$10.05	\$10.20	\$20.25
CA	\$114.00	\$106.05	\$7.95	\$10.20	\$18.15

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DFWABQ21FEB9	AA0593	X	\$106.05	\$124.20	\$124.20	\$106.05
DFWABQ21FEB9	AA0593	Y	\$133.95	\$154.20		\$133.95
DFWABQ21FEB9	CO0414/CO1717		\$115.35			\$115.35
DFWABQ21FEB9	HP0027/HP0204		\$137.67	\$168.40		\$137.67
DFWABQ21FEB9	DL1697/DL3980		\$334.89	\$380.40		\$334.89
DFWABQ21FEB9	F90417/F94339		\$386.97	\$426.40		\$386.97
DFWABQ21FEB9	F90417/UA6616		\$441.86			\$441.86
DFWABQ21FEB9	AA0369	X		\$124.20	\$124.20	
DFWABQ21FEB9	AA0369	Y		\$154.20		
DFWABQ21FEB9	F90417/US4812					\$451.16
DFWABQ21FEB9	UA0447			\$157.40		
DFWABQ21FEB9	US6885/US6525			\$179.40		
DFWABQ21FEB9	UA1133/UA0425			\$809.89		



DFWABQ21FEB9	AA1115/F94337	N		\$303.40	\$263.26
DFWABQ21FEB9	CO1981/CO1454			\$139.90	
DFWABQ21FEB9	F90847/F94333			\$150.70	
DFWABQ21FEB9	DL0948/DL0585			\$129.90	
DFWABQ21FEB9	DL3010/DL3117			\$514.90	
DFWABQ21FEB9	UA6885/UA0437			\$314.90	
DFWABQ21FEB9	AA2366/AA0341	N		\$782.40	

Figure 17 DFW-ABQ STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	2	1	50.0%	1	50.0%	2	100.0%	0	0.0%
CA CP Fares Displayed	2	1	50.0%	1	50.0%	2	100.0%	2	100.0%
Total CP Fares Displayed for CC	4	2	50.0%	2	50.0%	4	100.0%	2	50.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	4	100.0%	2	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1 25.0%								

Table 24: ABQ-DFW 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
AA	\$144.00	133.95	\$10.05	\$8.70	\$18.75	
	CA	\$114.00	\$106.05	\$7.95	\$8.70	\$16.65



CITYPAIR	TOTALFLIGHTS	Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ABQDFW22FEB9	AA1648	X	\$106.05	\$122.70	\$122.70	\$106.05
ABQDFW22FEB9	AA1648	Y	\$133.95	\$152.70	\$152.70	\$133.95
ABQDFW22FEB9	CO1092/CO0759		\$115.35	\$138.40		\$115.35
ABQDFW22FEB9	UA0458/UA0768		\$129.76			\$129.76
ABQDFW22FEB9	US6644/US6834		\$147.90	\$177.90		\$147.90
ABQDFW22FEB9	F94330/F90126		\$386.97	\$149.20		\$386.97
ABQDFW22FEB9	AA2284	X		\$122.70	\$122.70	
ABQDFW22FEB9	AA2284	Y		\$152.70		
ABQDFW22FEB9	AA2202	X		\$122.70	\$122.70	
ABQDFW22FEB9	AA2202	Y		\$152.70		
ABQDFW22FEB9	AA1414	Y		\$152.70	\$152.70	
ABQDFW22FEB9	AA0862/AA2325	N		\$349.90	\$349.90	
ABQDFW22FEB9	CO0315			\$135.90		
ABQDFW22FEB9	DL1157/DL0467			\$512.90		
ABQDFW22FEB9	US6614/F90136			\$243.90		
ABQDFW22FEB9	UA1220/UA0490			\$128.40		
ABQDFW22FEB9	CO1238/CO2523			\$138.40		
ABQDFW22FEB9	UA0298/UA0708			\$313.40		
ABQDFW22FEB9	DL0602/DL0483			\$512.90		
ABQDFW22FEB9	DL0934/DL1201			\$128.40		
ABQDFW22FEB9	F94322/F90136			\$149.20		
ABQDFW22FEB9	F94330/UA0490					\$200.00
ABQDFW22FEB9	US6644/UA0768					\$209.30
ABQDFW22FEB9	F94330/US6838					\$209.30
ABQDFW22FEB9	UA1220/US6838					\$209.30

Figure 18: ABQ-DFW STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares									
Displayed CA CP Fares	4	1	25.0%	1	25.0%	4	100.0%	2	50.0%
Displayed Total CP Fares	3	1	33.3%	1	33.3%	3	100.0%	3	100.0%
Displayed for CC	7	2	28.6%	2	28.6%	7	100.0%	5	71.4%
CC Flights Displaying Correct CP	N/A	2	100.0%	2	100.0%	7	100.0%	5	100.0%



Rate					
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	2				
	28.6%				

Table 25: ORD-DCA 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	UA		\$76.00	\$70.70	\$5.30	\$10.20	\$15.50
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ORDDCA21FEB9	UA0556/UA3209	Y	\$70.70			\$70.70
ORDDCA21FEB9	UA0606	Y	\$70.70	\$86.20	\$86.20	\$70.70
ORDDCA21FEB9	NW1240/NW0236		\$66.51			\$66.51
ORDDCA21FEB9	AA3973/YX0419		\$178.61			\$178.61
ORDDCA21FEB9	CO5518/CO5236		\$278.14	\$319.40		\$278.14
ORDDCA21FEB9	UA0602	Y		\$86.20	\$86.20	
ORDDCA21FEB9	UA0604	Y			\$86.20	
ORDDCA21FEB9	UA0608	Y		\$86.20	\$86.20	
ORDDCA21FEB9	UA0610	Y		\$86.20	\$86.20	
ORDDCA21FEB9	UA0612	Y			\$86.20	
ORDDCA21FEB9	US1828			\$96.20		\$80.00
ORDDCA21FEB9	AA1448			\$159.20		
ORDDCA21FEB9	AA0430			\$96.20		\$80.00
ORDDCA21FEB9	US1609			\$96.20		
ORDDCA21FEB9	UA0556/US2471	N				\$325.58
ORDDCA21FEB9	DL0915/DL1291			\$314.90		\$310.69

Figure 19: ORD-DCA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC



YCA City-Pair (CP) Fares Displayed	7	2	28.6%	2	28.6%	4	57.1%	6	85.7%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	7	2	28.6%	2	28.6%	4	57.1%	6	85.7%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	4	100.0%	6	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								14.3%

Table 26: DCA-ORD 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	UA		\$76.00	\$70.70	\$5.30	\$10.20	\$15.50
			CA				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	Gov.Trip
DCAORD22FEB9	UA0607	Y	\$70.70	\$86.20	\$86.20	\$70.70
DCAORD22FEB9	DL1405/DL0969		\$66.51			\$66.51
DCAORD22FEB9	AA4640/AA1919		\$156.28			\$156.28
DCAORD22FEB9	AA1039/AA1645		\$243.72			\$243.72
DCAORD22FEB9	CO2308/AA4334		\$308.84			\$308.84
DCAORD22FEB9	UA0601	Y		\$86.20	\$86.20	
DCAORD22FEB9	UA0603	Y			\$86.20	
DCAORD22FEB9	UA0605	Y		\$86.20	\$86.20	
DCAORD22FEB9	UA0609	Y		\$86.20	\$86.20	
DCAORD22FEB9	UA0611	Y		\$86.20	\$86.20	
DCAORD22FEB9	UA0615	Y		\$86.20	\$86.20	



DCAORD22FEB9	AA4778/AA0317			\$141.40
DCAORD22FEB9	AA1843		\$159.20	
DCAORD22FEB9	AA0467		\$96.20	\$80.00
DCAORD22FEB9	US1825		\$96.20	\$80.00
DCAORD22FEB9	AA1319		\$96.20	
DCAORD22FEB9	AA1595		\$96.20	
DCAORD22FEB9	NW5296/NW5200		\$517.90	
DCAORD22FEB9	CO2216/CO2122		\$317.90	
DCAORD22FEB9	DL0454/DL0908		\$394.40	
DCAORD22FEB9	US1853/US6971		\$106.40	\$80.00

Figure 20: DCA-ORD STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	7	1	14.3%	1	14.3%	6	85.7%	7	100.0%
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	7	1	14.3%	1	14.3%	6	85.7%	7	100.0%
CC Flights Displaying Correct CP Rate	N/A	1	100.0%	1	100.0%	6	100.0%	7	100.0%
Identical CP Flights Appearing in all 4 Systems	1								
% of Identical CP Flights Appearing in all 4 Systems	14.3%								

Table 27: DFW-DAY 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA	\$418.00	\$388.84	\$29.16	\$10.20	\$39.36



CA	\$308.00	\$286.51	\$21.49	\$10.20	\$31.69
----	----------	----------	---------	---------	---------

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				
DFWDAY21FEB9	AA3773	X	\$286.51	\$318.20	\$318.20	\$286.51	
DFWDAY21FEB9	AA3773	Y	\$388.84	\$428.20		\$388.84	
DFWDAY21FEB9	UA1250/UA5606		\$151.63			\$151.63	
DFWDAY21FEB9	DL1451/DL5165		\$157.21	\$189.40		\$157.21	
DFWDAY21FEB9	US6924/UA5606		\$160.93			\$160.93	
DFWDAY21FEB9	UA1250/US7915		\$160.93			\$160.93	
DFWDAY21FEB9	US6924/US7915		\$170.23	\$203.40		\$170.23	
DFWDAY21FEB9	UA2907/UA4088		\$286.51			\$286.51	
DFWDAY21FEB9	US1625/US2392		\$291.62	\$333.90		\$291.62	
DFWDAY21FEB9	US1152/US2224		\$295.81	\$336.90		\$295.81	
DFWDAY21FEB9	AA3821	X		\$318.20			
DFWDAY21FEB9	AA3821	Y		\$428.20	\$428.20		
DFWDAY21FEB9	AA2332/AA4195	Y		\$438.40	\$438.40		
DFWDAY21FEB9	AA2336/AA4319	X		\$328.40			
DFWDAY21FEB9	AA2336/AA4319	Y		\$438.40	\$438.40		
DFWDAY21FEB9	AA3771/DL5057	N		\$708.40			
DFWDAY21FEB9	UA0636/UA6983			\$183.40			
DFWDAY21FEB9	FL0130/FL0702			\$165.89			
DFWDAY21FEB9	US1008/US2514			\$461.90			
DFWDAY21FEB9	NW5248/NW5164			\$619.40			
DFWDAY21FEB9	CO3264/CO2159			\$269.90			
DFWDAY21FEB9	NW0414/NW5671			\$323.90			
DFWDAY21FEB9	DL0948/DL1735			\$159.40			
DFWDAY21FEB9	NW0704/NW3161			\$553.49			

Figure 21: DFW-DAY 21FEB05

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares									
Displayed CA CP Fares	4	1	25.0%	1	25.0%	4	100.0%	3	75.0%
Displayed Total CP Fares	3	1	33.3%	1	33.3%	3	100.0%	1	33.3%
Displayed for CC	7	2	28.6%	2	28.6%	7	100.0%	4	57.1%



CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	7	100.0%	4	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								
	14.3%								

Table 28: DAY-DFW 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	AA		\$418.00	\$388.84	\$29.16	\$10.20	\$39.36
			CA				
			\$308.00	\$286.51	\$21.49	\$10.20	\$31.69

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DAYDFW22FEB9	AA5826/AA1451	Y	\$388.84		\$438.40	\$388.84
DAYDFW22FEB9	AA1841	X	\$286.51	\$318.20	\$318.20	\$286.51
DAYDFW22FEB9	AA1841	Y	\$388.84	\$428.20		\$388.84
DAYDFW22FEB9	UA4135/UA2893		\$286.51			\$286.51
DAYDFW22FEB9	US2260/US1617		\$291.62			\$291.62
DAYDFW22FEB9	UA7890/UA7683		\$317.21			\$317.21
DAYDFW22FEB9	US2242/US1242		\$295.81			\$295.81
DAYDFW22FEB9	CO2026/CO2826		\$291.62			\$291.62
DAYDFW22FEB9	AA5826/AA1279	Y			\$438.40	
DAYDFW22FEB9	AA4313/AA2325	Y		\$438.40	\$193.40	
DAYDFW22FEB9	CO2405/CO3264		\$295.81			\$295.81
DAYDFW22FEB9	US7703/US7465					\$422.32
DAYDFW22FEB9	US2207/US1207			\$336.90		
DAYDFW22FEB9	NW3168/NW0703			\$323.90		
DAYDFW22FEB9	FL0711/FL0103			\$255.90		
DAYDFW22FEB9	YX1162/YX0304			\$322.90		
DAYDFW22FEB9	UA6978/UA1105			\$183.40		
DAYDFW22FEB9	DL5756/DL0649			\$264.90		
DAYDFW22FEB9	NW3493/NW0411			\$323.90		
DAYDFW22FEB9	DL5754/AA3438	N		\$478.40		



DAYDFW22FEB9	NW5753/AA3658	N	\$869.90
DAYDFW22FEB9	FL0444/FL0461		\$165.90
DAYDFW22FEB9	US3515/US1642		\$333.90
DAYDFW22FEB9	US2278/US1815		\$517.40
DAYDFW22FEB9	UA6976/UA0589		\$223.40

Figure 22: DAY-DFW STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	4	2	50.0%	2	50.0%	2	50.0%	3	75.0%
YCA CP Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	1	100.0%
Total CP Fares Displayed for CC	5	3	60.0%	3	60.0%	3	60.0%	4	80.0%
CC Flights Displaying Correct CP Rate	N/A	3	100.0%	3	100.0%	3	100.0%	3	75.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1 20.0%								

Table 29: DCA-DAY 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
US	\$310.00	\$288.37	\$21.63	\$10.20	\$31.83	
	CA	\$270.00	\$251.16	\$18.84	\$10.20	\$29.04

CITYPAIR	TOTALFLIGHTS	Contract Carrier	DTS	FedTraveler	e2 Solutions	GovTrip



DCADAY21FEB9	US2335	X	\$251.16	\$280.20	\$280.20	\$251.16
DCADAY21FEB9	US2335	Y	\$288.37	\$320.20		\$288.37
DCADAY21FEB9	US1108/US2392	X	\$246.97	\$285.90	\$285.90	\$246.97
DCADAY21FEB9	US1108/US2392	Y		\$325.90		
DCADAY21FEB9	US0782/US2343	X	\$251.16	\$290.40	\$290.40	\$251.16
DCADAY21FEB9	US0782/US2343	Y		\$330.40		
DCADAY21FEB9	UA0607/UA5606		\$121.86	\$151.40		\$121.86
DCADAY21FEB9	UA0607/US7915	N	\$131.16			\$131.16
DCADAY21FEB9	NW0227/NW5849		\$246.97	\$285.90		\$246.97
DCADAY21FEB9	DL0481/DL5057		\$246.97			\$246.97
DCADAY21FEB9	UA2962/UA4118		\$251.16	\$288.90		\$251.16
DCADAY21FEB9	AA1843/AA4195		\$329.30			\$329.30
DCADAY21FEB9	US2411	X		\$283.40	\$283.40	
DCADAY21FEB9	US2411	Y		\$323.40		
DCADAY21FEB9	US0001/US3508	X		\$285.90	\$285.90	
DCADAY21FEB9	US0001/US3508	Y		\$325.90		
DCADAY21FEB9	US0535/US2541	X		\$209.40	\$290.40	
DCADAY21FEB9	UA2054/UA4088			\$580.90		
DCADAY21FEB9	FL0453			\$121.20		
DCADAY21FEB9	NW5125/NW5164			\$434.40		
DCADAY21FEB9	UA2959/UA4087			\$580.90		
DCADAY21FEB9	UA0611/UA6983			\$151.40		
DCADAY21FEB9	NW0229/NW3161			\$429.90		
DCADAY21FEB9	CO2308/CO3238			\$438.90		
DCADAY21FEB9	DL1405/DL5756			\$285.90		
DCADAY21FEB9	AA1319/AA4309			\$161.40		
DCADAY21FEB9	CO5811/CO7572			\$443.40		

Figure 23: DCA-DAY STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	5	1	20.0%	1	20.0%	5	100.0%	0	0.0%
CA CP Fares Displayed	6	3	50.0%	3	50.0%	6	100.0%	6	100.0%
Total CP Fares Displayed for CC	11	4	36.4%	4	36.4%	11	100.0%	6	54.5%
CC Flights Displaying	N/A	3	75.0%	3	75.0%	8	72.7%	5	83.3%



Correct CP Rate					
Identical CP Flights Appearing in all 4 Systems	3				
% of Identical CP Flights Appearing in all 4 Systems	27.3%				

Table 30: DAY-DCA 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
US	\$310.00	\$288.37	\$21.63	\$10.20	\$318.83
	CA				
	\$270.00	\$251.16	\$18.84	\$10.20	\$290.04

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DAYDCA22FEB9	US2278	X		\$280.20		
DAYDCA22FEB9	US2278	Y	\$288.37	\$320.20	\$320.20	\$288.37
DAYDCA22FEB9	US2260/US0165	X	\$246.97		\$285.90	\$246.97
DAYDCA22FEB9	US2321/US1709	X	\$251.16	\$290.40	\$290.40	\$251.16
DAYDCA22FEB9	UA1225/UA0604		\$121.86	\$151.40		\$121.86
DAYDCA22FEB9	DL5753/DL0568		\$246.97			\$246.97
DAYDCA22FEB9	NW5833/NW0228		\$246.97	\$285.90		\$246.97
DAYDCA22FEB9	UA3929/UA2969		\$251.16	\$207.90		\$251.16
DAYDCA22FEB9	NW5106/NW5374		\$431.63	\$434.40		\$431.63
DAYDCA22FEB9	US2308/US2381	X		\$290.40	\$290.40	
DAYDCA22FEB9	US2308/US2381	Y		\$330.40		
DAYDCA22FEB9	CO7413/CO5228		\$440.00			\$440.00
DAYDCA22FEB9	UA6976/UA0608			\$191.40		
DAYDCA22FEB9	DL5753/DL1878			\$603.40		
DAYDCA22FEB9	YX1162/YX0419			\$324.90		
DAYDCA22FEB9	UA3391/UA1865			\$580.90		
DAYDCA22FEB9	CO2343/CO2146			\$441.90		
DAYDCA22FEB9	AA4313/AA1482			\$224.40		
DAYDCA22FEB9	NW3164/NW0230			\$285.90		
DAYDCA22FEB9	US3515/US1419	X		\$285.90		
DAYDCA22FEB9	US3515/US1419	Y		\$325.90		
DAYDCA22FEB9	UA6978/UA0614			\$151.40		

Figure 24: DAY-DCA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed CA CP	3	1	33.3%	1	33.3%	3	100.0%	1	33.3%
Fares Displayed	5	2	40.0%	2	40.0%	4	80.0%	3	60.0%
Total CP Fares Displayed for CC	8	3	37.5%	3	37.5%	7	87.5%	4	50.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	2	66.7%	3	100.0%	7	100.0%	4	100.0%
	25.0%								

Table 31: SAT-DFW 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
AA	\$95.00	\$88.37	\$6.63	\$8.70	\$15.33	
	CA	\$38.00	\$35.35	\$2.65	\$8.70	\$11.35

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	Gov.Trip
SATDFW21FEB9	CO0146/CO0759			\$292.40		
SATDFW21FEB9	CO0478/CO0759			\$292.40		
SATDFW21FEB9	AA1948	Y	\$88.37	\$103.70	\$103.70	



SATDFW21FEB9	DL3286/DL2919		\$277.21			
SATDFW21FEB9	AA1439	Y		\$103.70	\$103.70	\$88.37
SATDFW21FEB9	CO0523/AA1669					\$166.51
SATDFW21FEB9	CO0264/AA3630					\$166.51
SATDFW21FEB9	CO0523/CO1815			\$292.40		\$281.86
SATDFW21FEB9	AA1568	N				\$411.16
SATDFW21FEB9	AA0582	X		\$46.70		

Figure 25 SAT-DFW STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares									
Displayed CA CP Fares	2	1	50.0%	1	50.0%	2	100.0%	2	100.0%
Displayed Total CP Fares	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
Displayed for CC	3	1	33.3%	1	33.3%	3	100.0%	2	66.7%
CC Flights Displaying Correct CP Rate	N/A	1	100.0%	1	100.0%	3	100.0%	2	100.0%
Identical CP Flights Appearing in all 4 Systems	0								
% of Identical CP Flights Appearing in all 4 Systems	0.0%								

Table 32: DFW-SAT 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
AA	\$95.00	\$88.37	\$6.63	\$10.20	\$16.83	
	CA	\$38.00	\$35.35	\$2.65	\$10.20	\$12.85



CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				
DFWSAT22FEB9	AA2015	X		\$35.35	\$48.20	\$48.20	\$35.35
DFWSAT22FEB9	AA2015	Y		\$88.37	\$105.20		\$88.37
DFWSAT22FEB9	CO1981/CO1679			\$88.37	\$110.90		\$88.37
DFWSAT22FEB9	CO0364/CO1546			\$88.37	\$110.90		\$88.37
DFWSAT22FEB9	CO0414/CO0779			\$88.37			\$88.37
DFWSAT22FEB9	AA1511/CO0779	N		\$129.30			\$129.30
DFWSAT22FEB9	AA3689/CO0379	N		\$129.30			\$129.30
DFWSAT22FEB9	AA3619/CO1679	N		\$185.11			
DFWSAT22FEB9	AA1839	X			\$48.20	\$48.20	
DFWSAT22FEB9	AA1839	Y			\$105.20		
DFWSAT22FEB9	AA1503	Y			\$105.20	\$105.20	\$88.37
DFWSAT22FEB9	AA0659	X			\$48.20	\$48.20	
DFWSAT22FEB9	AA0659	Y			\$105.20		
DFWSAT22FEB9	AA3719/CO1679	N					\$185.11
DFWSAT22FEB9	DL3010/DL2681				\$110.90		
DFWSAT22FEB9	NW0878/NW5735				\$454.90		
DFWSAT22FEB9	DL3221/DL2790				\$110.90		

Figure 26: DFW-SAT STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	4	1	25.0%	2	50.0%	4	100.0%	1	25.0%
CA CP Fares Displayed	3	1	33.3%	1	33.3%	3	100.0%	3	100.0%
Total CP Fares Displayed for CC	7	2	28.6%	3	42.9%	7	100.0%	4	57.1%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems	N/A	2	100.0%	3	100.0%	7	100.0%	4	100.0%
	1								



% of Identical CP Flights Appearing in all 4 Systems	14.3%				
--	-------	--	--	--	--

Table 33: VPS-ATL 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$198.00	\$184.19	\$13.81	\$10.20	\$24.01
	CA				
	\$162.00	\$150.70	\$11.30	\$10.20	\$21.50

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
VPSATL21FEB9	DL1735	Y	\$184.19	\$208.20	\$208.20	\$184.19
VPSATL21FEB9	DL4740	Y		\$208.20	\$208.20	\$184.19
VPSATL21FEB9	DL1528	Y		\$208.20	\$208.20	
VPSATL21FEB9	CO9145/DL0763					\$709.77
VPSATL21FEB9	CO9145/DL1709			\$442.40		\$458.61
VPSATL21FEB9	DL4259	Y		\$208.20		

Figure 27: VPS-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	4	1	25.0%	2	50.0%	4	100.0%	3	75.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	4	1	25.0%	2	50.0%	4	100.0%	3	75.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4	N/A	1	100.0%	2	100.0%	4	100.0%	3	100.0%
	1								



Systems					
% of Identical CP Flights Appearing in all 4 Systems	25.0%				

Table 34: ATL-VPS 22FEB05

Contract Carrier, CPP	YCA	BASE	US tax	Other	Total Tax/Other	
DL	\$198.00	\$184.19	\$13.81	\$10.20	\$24.01	
	CA	\$162.00	\$150.70	\$11.30	\$10.20	\$21.50

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				
ATLVPS22FEB9	DL4256	X	\$150.70	\$172.20		\$172.20	\$150.70
ATLVPS22FEB9	DL4256	Y	\$184.19	\$208.20			\$184.19
ATLVPS22FEB9	FL0125/CO9159		\$346.98	\$322.40			\$346.98
ATLVPS22FEB9	DL1872/DL6641	N	\$361.86	\$204.90		\$404.90	\$361.86
ATLVPS22FEB9	DL0641/CO9214/CO9188	N	\$413.96	\$412.60			\$413.96
ATLVPS22FEB9	DL1491	X		\$172.20		\$172.20	\$150.70
ATLVPS22FEB9	DL1491	Y		\$208.20			
ATLVPS22FEB9	DL1100	X		\$172.20		\$172.20	
ATLVPS22FEB9	DL1100	Y		\$208.20			
ATLVPS22FEB9	DL1872/NW1944	N					\$357.21
ATLVPS22FEB9	AA2005/CO9214/CO9188						\$423.26
ATLVPS22FEB9	NW9710/NW1944						\$502.32
ATLVPS22FEB9	DL6695/DL6641	N		\$169.90			
ATLVPS22FEB9	DL1143/CO9159	N		\$322.40			\$346.98
ATLVPS22FEB9	AA2005/AA1460/CO9188			\$372.60			
ATLVPS22FEB9	DL1247/CO9214/CO9188	N		\$451.60			
ATLVPS22FEB9	FL0501/CO9214/CO9188			\$553.60			
ATLVPS22FEB9	AA1679/CO9214/CO9188			\$442.60			

Figure 28: ATL-VPS STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares	3	1	33.3%	1	33.3%	3	100.0%	0	0.0%



Displayed									
CA CP Fares									
Displayed	3	1	33.3%	2	66.7%	3	100.0%	3	100.0%
Total CP Fares Displayed for CC	6	2	33.3%	3	50.0%	6	100.0%	3	50.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	3	100.0%	6	100.0%	3	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								16.7%

Table 35: SAN-ATL 21FEB05

Contract Carrier CPP#	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$424.00	\$394.42	\$29.58	\$10.20	\$39.78
	CA				
	\$359.00	\$333.95	\$25.05	\$10.20	\$35.25

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
SANATL21FEB9	DL6042/DL0202	Y	\$390.23			\$390.23
SANATL21FEB9	DL0228	X	\$333.95	\$369.20		\$333.95
SANATL21FEB9	DL0228	Y	\$394.42	\$434.20		\$394.42
SANATL21FEB9	CO1041/CO0720		\$101.39			\$101.93
SANATL21FEB9	HP0347/DL0428	N	\$253.95			\$253.95
SANATL21FEB9	US0154/US3545		\$282.79			\$561.86
SANATL21FEB9	NW0276/NW0473		\$319.07			\$319.07
SANATL21FEB9	NW0186/NW1434		\$329.76			
SANATL21FEB9	UA0594/UA0290		\$394.42			\$394.42
SANATL21FEB9	DL1174	X		\$369.20		\$369.20
SANATL21FEB9	DL1174	Y		\$434.20		



SANATL21FEB9	DL0730	X	\$369.20	\$369.20	
SANATL21FEB9	DL0730	Y	\$434.20		
SANATL21FEB9	DL5930/DL0202	N	\$439.90	\$439.90	
SANATL21FEB9	DL5958/DL1746	Y	\$439.90	\$439.90	
SANATL21FEB9	DL1798	X	\$369.20	\$369.20	
SANATL21FEB9	DL1798	Y	\$434.20		
SANATL21FEB9	DL6655	N	\$462.40	\$512.40	
SANATL21FEB9	NW0186/NW1438				\$329.76
SANATL21FEB9	CO5186/CO6434		\$389.40		
SANATL21FEB9	HP0156/HP0612		\$359.40		
SANATL21FEB9	UA0336/UA0136		\$256.40		
SANATL21FEB9	NW7041/NW6720		\$464.90		
SANATL21FEB9	CO5276/CO5473		\$389.40		
SANATL21FEB9	AA1406/AA1390		\$399.40		
SANATL21FEB9	CO0142/CO1820		\$384.90		
SANATL21FEB9	US6324/US8072		\$1,291.40		
SANATL21FEB9	AS0463/AS6000		\$547.40		
SANATL21FEB9	AA1426/AA4444		\$665.40		
SANATL21FEB9	DL1892/DL1592	Y	\$439.90		

Figure 29: SAN-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	7	2	28.6%	2	28.6%	6	85.7%	1	14.3%
YCA City-Pair (CP) Fares Displayed	4	1	25.0%	1	25.0%	4	100.0%	4	100.0%
Total CP Fares Displayed for CC	11	3	27.3%	3	27.3%	10	90.9%	5	45.5%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems	N/A	2	66.7%	3	100.0%	10	100.0%	5	100.0%
	1								



% of Identical CP Flights Appearing in all 4 Systems	9.1%				
--	------	--	--	--	--

Table 36: ATL-SAN 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$424.00	\$394.42	\$29.58	\$10.20	\$39.78
	CA				
	\$359.00	\$333.95	\$25.05	\$10.20	\$35.25

CITYPAIR	TOTALFLIGHTS	Contract					
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip	
ATLSAN22FEB9	DL1793	X	\$333.95	\$369.20	\$369.20	\$333.95	
ATLSAN22FEB9	DL1793	Y	\$394.42	\$434.20		\$394.42	
ATLSAN22FEB9	UA0293/UA0501		\$204.65	\$240.40		\$204.65	
ATLSAN22FEB9	UA0469/UA0421		\$219.54			\$219.54	
ATLSAN22FEB9	US6220/US6927		\$223.25			\$223.25	
ATLSAN22FEB9	DL1059/AA1675	N	\$325.59			\$325.59	
ATLSAN22FEB9	AA1347/AA1675		\$325.59			\$325.59	
ATLSAN22FEB9	NW1429/NW0189		\$329.76			\$329.76	
ATLSAN22FEB9	US6499/US6021		\$343.25			\$343.25	
ATLSAN22FEB9	AA1117/AA0653		\$360.93			\$360.93	
ATLSAN22FEB9	DL0273	Y		\$434.20	\$434.20		
ATLSAN22FEB9	DL0907/DL5967	Y		\$439.90	\$439.90		
ATLSAN22FEB9	DL1461/DL0561	Y		\$439.90			
ATLSAN22FEB9	UA0873/UA1183			\$324.40			
ATLSAN22FEB9	AA1981/AA1815			\$272.40			
ATLSAN22FEB9	AS6027/AS0580			\$547.40			
ATLSAN22FEB9	DL0193/US6303	N		\$639.40			
ATLSAN22FEB9	AA2263/AA0465			\$370.40			
ATLSAN22FEB9	CO1424/CO0733			\$384.90			
ATLSAN22FEB9	US6503/US6035			\$608.40			
ATLSAN22FEB9	CO5088/CO5187			\$389.40			
ATLSAN22FEB9	AS6001/AS0518			\$547.40			
ATLSAN22FEB9	HP0530/HP0709			\$289.40			
ATLSAN22FEB9	DL1299/DL5967	Y		\$439.90			

Figure 30: ATL-SAN STATISTICAL SUMMARY

Description	Contract Carrier	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of	Flights	% of	Flights	% of	Flights	% of



	(CC)	CC	CC	CC	CC	CC	CC
YCA City-Pair (CP) Fares							
Displayed CA CP Fares	5	1 20.0%	1 20.0%	5 100.0%	2 40.0%		
Displayed Total CP Fares	1	1 100.0%	1 100.0%	1 100.0%	1 100.0%		
Displayed for CC	6	2 33.3%	2 33.3%	6 100.0%	3 50.0%		
CC Flights Displaying Correct CP Rate	N/A	2 100.0%	2 100.0%	6 100.0%	3 100.0%		
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1						16.7%

Table 37: PNS-ATL 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$102.00	\$94.88	\$7.12	\$10.20	\$17.32
	CA				
	\$67.00	\$62.33	\$4.67	\$10.20	\$14.87

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
PNSATL21FEB9	DL1704	X	\$62.33	\$77.20	\$77.20	\$62.33
PNSATL21FEB9	DL1704	Y	\$94.88	\$112.20		\$94.88
PNSATL21FEB9	US2210/DL1010		\$346.05			\$346.05
PNSATL21FEB9	AA3412/AA1948		\$424.18	\$476.40		\$424.18
PNSATL21FEB9	CO2718/CO1620		\$636.28	\$699.90		\$636.28
PNSATL21FEB9	DL3014/DL4326	N	\$640.93	\$704.90	\$704.90	\$640.93
PNSATL21FEB9	US2210/US2209		\$683.72	\$701.90		\$683.72
PNSATL21FEB9	US2210/UA3264		\$683.72			\$683.72
PNSATL21FEB9	DL1402	X		\$77.20	\$77.20	



PNSATL21FEB9	DL1402	Y	\$112.20	
PNSATL21FEB9	DL4439	X		\$77.20
PNSATL21FEB9	DL4439	Y	\$112.20	
PNSATL21FEB9	DL0648	X	\$77.20	\$77.20
PNSATL21FEB9	DL0648	Y	\$112.20	
PNSATL21FEB9	DL6420/DL0263	Y	\$122.40	
PNSATL21FEB9	DL3014/DL1672	N	\$593.90	
PNSATL21FEB9	DL3236/DL4213	N	\$704.90	
PNSATL21FEB9	FL0424		\$159.20	
PNSATL21FEB9	AA3826/AA1390		\$376.40	
PNSATL21FEB9	CO9147/DL1709			\$430.70
PNSATL21FEB9	CO2143/CO2872		\$676.90	
PNSATL21FEB9	US2248/US2929		\$551.90	
PNSATL21FEB9	FL0420		\$159.20	
PNSATL21FEB9	AA3826/AA1096		\$476.40	

Figure 31: PNS-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	5	1	20.0%	1	20.0%	5	100.0%	0	0.0%
CA CP Fares Displayed	4	1	25.0%	1	25.0%	3	75.0%	4	100.0%
Total CP Fares Displayed for CC	9	2	22.2%	2	22.2%	8	88.9%	4	44.4%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4	N/A 1 11.1%	2	100.0%	2	100.0%	7	87.5%	4	100.0%



Systems					
---------	--	--	--	--	--

Table 38: ATL-PNS 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$102.00	\$94.88	\$7.12	\$10.20	\$17.32
	CA				
	\$67.00	\$62.33	\$4.67	\$10.20	\$14.87

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ATLPNS22FEB9	DL1079	X	\$62.33	\$77.20	\$77.20	\$62.33
ATLPNS22FEB9	DL1079	Y	\$94.88	\$112.20		\$94.88
ATLPNS22FEB9	DL1143/DL6424	X	\$62.33	\$87.40	\$87.40	\$62.33
ATLPNS22FEB9	DL1143/DL6424	Y		\$122.40		
ATLPNS22FEB9	AA1981/AA3829		\$304.19	\$347.40		\$304.19
ATLPNS22FEB9	FL0557/CO9216		\$319.07			\$319.07
ATLPNS22FEB9	FL0177/DL6339	N	\$325.58	\$368.90		
ATLPNS22FEB9	DL1872/DL6592	N	\$343.26	\$199.90		\$343.26
ATLPNS22FEB9	DL4856	X		\$77.20	\$77.20	
ATLPNS22FEB9	DL4856	Y		\$112.20		
ATLPNS22FEB9	DL0281	X		\$77.20	\$77.20	
ATLPNS22FEB9	DL0281	Y		\$112.20		
ATLPNS22FEB9	DL4841	Y		\$112.20	\$112.20	
ATLPNS22FEB9	FL0177/DL6359	N				\$325.58
ATLPNS22FEB9	DL1872/NW3678	N				\$364.65
ATLPNS22FEB9	DL4326/DL2603	N		\$704.90		
ATLPNS22FEB9	FL0421			\$159.20		
ATLPNS22FEB9	NW0819/NW3678			\$291.90		
ATLPNS22FEB9	US0582/US2212			\$250.90		
ATLPNS22FEB9	CO2873/CO3329			\$609.90		
ATLPNS22FEB9	FL0125/DL6424	N		\$348.40		\$305.12
ATLPNS22FEB9	AA1197/AA3827			\$347.40		
ATLPNS22FEB9	US2714/US2211			\$250.90		

Figure 32: ATL-PNS STSITICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP)									
Fares	5	1	20.0%	1	20.0%	5	100.0%	1	20.0%

Displayed									
CA CP Fares Displayed	4	2	50.0%	2	50.0%	4	100.0%	4	100.0%
Total CP Fares Displayed for CC	9	3	33.3%	3	33.3%	9	100.0%	5	55.6%
CC Flights Displaying Correct CP Rate	N/A	3	100.0%	3	100.0%	9	100.0%	5	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	2								22.2%

Table 39: LAX-ABQ 21FEB05

Contract Carrier CPP:	YCA	BASE	US tax	Other	Total Tax/Other
WN	\$153.00	\$142.33	\$10.68	\$10.20	\$20.87
	CA				
	\$132.00	\$122.79	\$9.21	\$10.20	\$19.41

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
LAXABQ21FEB9	WN1163	X	\$122.79	\$142.20	\$142.20	\$122.79
LAXABQ21FEB9	WN1163	Y	\$142.33	\$163.20		\$142.33
LAXABQ21FEB9	HP0743/HP0204		\$166.51	\$199.40		
LAXABQ21FEB9	UA6098/UA1422/UA6616		\$307.91			
LAXABQ21FEB9	UA0284/UA0437		\$307.91	\$351.40		\$307.91
LAXABQ21FEB9	UA1480/UA1428/UA6616		\$307.91			\$307.91
LAXABQ21FEB9	WN1762	X		\$142.20	\$142.20	
LAXABQ21FEB9	WN1762	Y		\$163.20		
LAXABQ21FEB9	WN1152/WN0434	Y		\$173.40	\$168.40	
LAXABQ21FEB9	HP0262/HP0204					\$166.51
LAXABQ21FEB9	UA1480/UA1428/US8412					\$272.56



LAXABQ21FEB9	UA0504/F94337								\$307.91
LAXABQ21FEB9	UA0504/US6525								\$317.21
LAXABQ21FEB9	UA1216/UA6616							\$351.40	
LAXABQ21FEB9	F90408/F94339							\$436.39	
LAXABQ21FEB9	AA2430/AA0389							\$433.40	
LAXABQ21FEB9	HP0610/HP0202							\$199.40	
LAXABQ21FEB9	HP0315/HP0202							\$199.40	
LAXABQ21FEB9	AA2416/AA0649							\$433.40	
LAXABQ21FEB9	F90532/F94337							\$185.70	\$307.91
LAXABQ21FEB9	DL1852/DL3980							\$295.40	

Figure 33: LAX-ABQ STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	3	1	33.3%	1	33.3%	3	100.0%	1	33.3%
YCA City-Pair (CP) Fares Displayed	2	1	50.0%	1	50.0%	2	100.0%	2	100.0%
Total CP Fares Displayed for CC	5	2	40.0%	2	40.0%	5	100.0%	3	60.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	5	100.0%	2	66.7%
Identical CP Flights Appearing in all 4 Systems	1								
% of Identical CP Flights Appearing in all 4 Systems	20.0%								

Table 40: ABQ-LAX 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
WN	\$153.00	\$142.33	\$10.67	\$8.70	\$19.37



CA				
\$132.00	\$122.79	\$9.21	\$8.70	\$17.91

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ABQLAX22FEB9	WN1688	Y	\$142.33	\$161.70	\$161.70	\$142.33
ABQLAX22FEB9	HP0654/UA6519		\$120.00			\$120.00
ABQLAX22FEB9	UA0458/UA0039		\$138.14	\$349.90		\$138.14
ABQLAX22FEB9	HP0654/HP0027		\$166.51	\$197.90		
ABQLAX22FEB9	DL3786/DL0479		\$187.90			\$187.90
ABQLAX22FEB9	AA0862/AA1435		\$271.63	\$310.90		\$271.63
ABQLAX22FEB9	AA2202/AA2427		\$288.38			\$288.38
ABQLAX22FEB9	UA0458/UA1437/UA6100		\$307.91			
ABQLAX22FEB9	WN0785	X		\$140.70	\$140.70	
ABQLAX22FEB9	WN0785	Y		\$161.70		
ABQLAX22FEB9	WN1424	X		\$140.70	\$140.70	
ABQLAX22FEB9	WN1424	Y		\$161.70		
ABQLAX22FEB9	WN0793/WN0857	N		\$125.90	\$87.90	
ABQLAX22FEB9	WN0793/WN0857	Y		\$171.90		
ABQLAX22FEB9	WN0301/WN1107	Y		\$171.90	\$171.90	
ABQLAX22FEB9	F94330/F90417			\$184.20		\$307.91
ABQLAX22FEB9	AA1648/AA2445			\$358.90		
ABQLAX22FEB9	US6608/US7279			\$622.90		
ABQLAX22FEB9	UA0298/UA0055			\$349.90		
ABQLAX22FEB9	AA2202/AA2421			\$328.90		
ABQLAX22FEB9	AA1414/AA2453			\$358.90		
ABQLAX22FEB9	UA0298/AA0441			\$349.90		
ABQLAX22FEB9	HP0180/HP0024			\$197.90		
ABQLAX22FEB9	UA7751/UA0533			\$1,066.90		
ABQLAX22FEB9	DL3984/DL0945			\$220.90		
ABQLAX22FEB9	HP0654/HP0702					\$166.51
ABQLAX22FEB9	UA458/UA1437/UA6100					\$307.91

Figure 34: ABQ-LAX STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	5	1	20.0%	1	20.0%	5	100.0%	2	40.0%
CA CP Fares Displayed	2	0	0.0%	0	0.0%	2	100.0%	2	100.0%



Total CP Fares Displayed for CC	7	1	14.3%	1	14.3%	7	100.0%	4	57.1%
CC Flights Displaying Correct CP Rate	N/A	1	100.0%	1	100.0%	7	100.0%	4	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								
	14.3%								

Table 41: DTW-AZO 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE			N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrng
DTWAZO21FEB9	UA0331/DL1643/DL5184		\$112.56			\$112.56
DTWAZO21FEB9	AA1775/DL1643/DL5184		\$112.56			
DTWAZO21FEB9	NW1557/UA6894		\$789.77			
DTWAZO21FEB9	NW1557/UA6894		\$197.21			
DTWAZO21FEB9	NW1557/UA6894		\$234.42			
DTWAZO21FEB9	NW3721		\$169.30	\$192.20	\$192.20	\$169.30
DTWAZO21FEB9	NW5810			\$192.20	\$192.20	
DTWAZO21FEB9	NW3501/NW9338			\$368.40	\$508.40	
DTWAZO21FEB9	DL5199/DL5082				\$232.40	
DTWAZO21FEB9	NW1557/DL1643/DL5184		\$197.21			
DTWAZO21FEB9	NW1557/DL1643/DL5184		\$696.74			
DTWAZO21FEB9	AA0755/AA4141		\$149.77	\$181.40		\$149.77
DTWAZO21FEB9	AA0591/AA4069			\$141.40		
DTWAZO21FEB9	NW3503/NW9352			\$368.40		
DTWAZO21FEB9	DL5901/DL5084			\$232.40		
DTWAZO21FEB9	UA0331/UA6894		\$149.77	\$141.40		\$149.77
DTWAZO21FEB9	UA0145/UA5844			\$141.40		



eTS / DTS Fare Audit
Report and Findings - Revision IV
May 5, 2005

DTWAZO21FEB9	UA0145/AA4141			\$181.40	\$149.77
DTWAZO21FEB9	NW1235/AA4069	\$112.56		\$141.40	\$112.56
DTWAZO21FEB9	UA0483/AA4069			\$141.40	
DTWAZO21FEB9	NW1583			\$192.20	
DTWAZO21FEB9	NW1235/DL1643/DL5184	\$112.56			\$112.56
DTWAZO21FEB9	AA0591/DL1643/DL5184				\$112.56
DTWAZO21FEB9	US6969/DL1643/DL5184	\$121.86			\$121.86
DTWAZO21FEB9	US6971/AA4141	\$159.07			\$159.07

Table 42: AZO-DTW 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	NONE		N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
AZODTW22FEB9	AA4303/NW370		\$424.19			
AZODTW22FEB9	AA4303/NW370		\$112.56			
AZODTW22FEB9	AA4303/AA1514		\$112.56	\$141.40		\$112.56
AZODTW22FEB9	NW0743		\$169.30	\$192.20	\$192.20	\$169.30
AZODTW22FEB9	AA4303/AA1672/NW1008		\$519.53	\$344.60		\$298.61
AZODTW22FEB9	AA4303/AA1672/NW1008		\$298.61	\$344.60		\$298.61
AZODTW22FEB9	NW1580				\$192.20	\$169.30
AZODTW22FEB9	NW2864			\$192.20	\$192.20	
AZODTW22FEB9	UA6847/UA0692			\$183.40	\$339.40	
AZODTW22FEB9	AA4266/AA1766			\$166.40	\$166.40	
AZODTW22FEB9	AA4303/NW0370			\$141.40		\$112.56
AZODTW22FEB9	AA4266/NW1238			\$372.60		
AZODTW22FEB9	AA4266/NW1238			\$141.40		
AZODTW22FEB9	DL5084/DL5274/NW3229			\$446.60		

Table 43: ORD-MLI 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	AA		\$199.00	\$185.12	\$13.88	\$10.20	\$24.08
			CA				
			\$159.00	147.91	\$11.09	\$10.20	\$21.29

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ORDMLI21FEB9	AA3925	X	\$147.91	\$169.20	\$169.20	\$147.91
ORDMLI21FEB9	AA3925	Y	\$185.12	\$209.20		\$185.12



ORDMLI21FEB9	DL5460/DL5150	\$143.72	\$174.90	\$143.72
ORDMLI21FEB9	UA5601	\$147.91		\$147.91
ORDMLI21FEB9	US8563	\$157.21	\$179.20	\$157.21
ORDMLI21FEB9	UA0799/NW5637	\$190.69		\$190.69
ORDMLI21FEB9	US6815/NW5637	\$586.97		\$586.97
ORDMLI21FEB9	UA5591			\$147.91
ORDMLI21FEB9	NW1240/NW3739		\$267.40	\$229.77
ORDMLI21FEB9	NW0395/NW5637	\$190.69	\$225.40	\$190.69
ORDMLI21FEB9	US8564		\$179.20	

Figure 35: ORD-MLI STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	1	100.0%
Total CP Fares Displayed for CC	2	2	100.0%	2	100.0%	2	100.0%	1	50.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	2	100.0%	1	100.0%
CC Flights Displaying Identical CP Rate	1								
CC Flights Displaying Identical CP Rate Appearing in all 4 Systems	50.0%								

Table 44: MLI-ORD 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA	\$199.00	\$185.12	\$13.88	\$10.20	\$24.08
	CA				



\$159.00 \$147.91 \$11.09 \$10.20 \$21.29

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
MLIORD22FEB9	AA3926	Y	\$185.12	\$209.20	\$209.20	\$185.12
MLIORD22FEB9	UA5638		\$147.91	\$169.20		\$147.91
MLIORD22FEB9	US8578		\$157.21			\$157.21
MLIORD22FEB9	US7706		\$440.93			
MLIORD22FEB9	AA3924	X		\$169.20	\$169.20	
MLIORD22FEB9	AA3924	Y		\$209.20		
MLIORD22FEB9	US8529			\$179.20		
MLIORD22FEB9	UA6964			\$169.20		
MLIORD22FEB9	UA5593			\$169.20		\$147.91
MLIORD22FEB9	US7708					\$440.93

Figure 36 MLI-ORD 22FEB05

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed CA CP	2	1	50.0%	1	50.0%	2	100.0%	1	50.0%
Fares Displayed Total CP Fares Displayed for CC	1	0	0.0%	0	0.0%	1	100.0%	1	100.0%
	3	1	33.3%	1	33.3%	3	100.0%	2	66.7%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	1	100.0%	1	100.0%	3	100.0%	2	100.0%
	1								
	33.3%								



Table 45: MRY-LAX 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA	\$84.00	\$78.14	\$5.86	\$10.20	\$16.06
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
MRYLAX21FEB9	UA6221/UA0817	Y	\$78.14		\$104.40	\$78.14
MRYLAX21FEB9	UA6221/UA0979	Y	\$78.14	\$104.40	\$104.40	\$78.14
MRYLAX21FEB9	UA6221/UA0886	Y	\$78.14	\$104.40	\$104.40	\$78.14
MRYLAX21FEB9	UA6221/UA0888	Y	\$78.14		\$104.40	\$78.14
MRYLAX21FEB9	UA6221/UA0858	Y			\$104.40	
MRYLAX21FEB9	UA6088	Y	\$78.14	\$94.20	\$94.20	\$78.14
MRYLAX21FEB9	US8244/US6327		\$240.00			\$240.00
MRYLAX21FEB9	US8244/US7251		\$240.00			\$240.00
MRYLAX21FEB9	US8244/UA0979		\$273.48			\$273.48
MRYLAX21FEB9	UA6139	Y		\$94.20	\$94.20	
MRYLAX21FEB9	WN1832			\$43.20		
MRYLAX21FEB9	UA6459/UA1265	Y		\$104.40	\$104.40	
MRYLAX21FEB9	UA6089	Y		\$94.20	\$94.20	
MRYLAX21FEB9	US8244/US6227			\$278.40		
MRYLAX21FEB9	HP6491/HP0702			\$255.40		
MRYLAX21FEB9	UA6221/US6064	N				\$232.55

Figure 37 MRY-LAX STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	9	5	55.6%	5	55.6%	6	66.7%	9	100.0%
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	9	5	55.6%	5	55.6%	6	66.7%	9	100.0%
CC Flights Displaying Correct CP	N/A	5	100.0%	5	100.0%	6	100.0%	9	100.0%



Rate					
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	3				
	33.3%				

Table 46: LAX-MRY 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA	\$84.00	\$78.14	\$5.86	\$10.20	\$16.06
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2.Solutions	GovTrip
LAXMRY22FEB9	UA6090	Y	\$78.14			\$78.14
LAXMRY22FEB9	HP6389/HP6132		\$240.00	\$255.40		\$240.00
LAXMRY22FEB9	UA6128	Y		\$94.20	\$94.20	\$78.14
LAXMRY22FEB9	UA0970/UA6224	Y		\$104.40	\$104.40	
LAXMRY22FEB9	WN0569			\$65.20		
LAXMRY22FEB9	AA3025			\$268.20		\$78.14
LAXMRY22FEB9	AA1958/UA6224	N		\$440.40		
LAXMRY22FEB9	UA0990/UA6456	Y		\$104.40		

Figure 38: LAX-MRY STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	4	1	25.0%	2	50.0%	3	75.0%	2	50.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares	4	1	25.0%	2	50.0%	3	75.0%	2	50.0%

Displayed for CC									
CC Flights Displaying Correct CP Rate	N/A	1	100.0%	2	100.0%	3	100.0%	2	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	0								
	0.0%								

Table 47: ELP-DFW 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA			\$144.00	\$133.95	\$10.05	\$8.70	\$18.75
			CA				
			\$79.00	\$73.49	\$5.51	\$8.70	\$14.21

CITYPAIR	TOTALFLIGHTS	Contract Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ELPDFW21FEB9	AA1134	X	\$73.49			\$73.49
ELPDFW21FEB9	AA1134	Y	\$133.95	\$152.70		\$133.95
ELPDFW21FEB9	CO0174/CO0759		\$101.39	\$123.40		\$101.39
ELPDFW21FEB9	HP0709/HP0544		\$132.09	\$253.90		\$132.09
ELPDFW21FEB9	DL3407/DL2919		\$370.23	\$332.40	\$412.40	\$370.23
ELPDFW21FEB9	DL3012/DL3036			\$412.40	\$412.40	
ELPDFW21FEB9	DL3012/DL3024				\$412.40	
ELPDFW21FEB9	HP6431/HP6240			\$253.90		
ELPDFW21FEB9	AA0444	Y		\$152.70		
ELPDFW21FEB9	AA1876	X		\$87.70		
ELPDFW21FEB9	AA1876	Y		\$152.70		
ELPDFW21FEB9	AA1770/AA2325	N		\$440.90		\$793.49
ELPDFW21FEB9	HP709/CO1558/CO1059					\$408.37

Figure 39: ELP-DFW STATISTICAL SUMMARY

Description	Contract Carrier	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of	Flights	% of	Flights	% of	Flights	% of



	(CC)	CC	CC	CC	CC	CC	CC
YCA City-Pair (CP) Fares							
Displayed CA CP Fares	3	1 33.3%	1 33.3%	3 100.0%	0 0.0%		
Displayed Total CP Fares	2	1 50.0%	1 50.0%	1 50.0%	0 0.0%		
Displayed for CC	5	2 40.0%	2 40.0%	4 80.0%	0 0.0%		
CC Flights Displaying Correct CP Rate	N/A	2 100.0%	2 100.0%	4 100.0%	0 0.0%		
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	0 0.0%						

Table 48: DFW-ELP 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
AA	\$144.00	\$133.95	\$10.05	\$10.20	\$20.25	
	CA	\$79.00	\$73.49	\$5.51	\$10.20	\$15.71

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DFWELP22FEB9	AA1467	X	\$73.49	\$89.20		\$73.49
DFWELP22FEB9	AA1467	Y	\$133.95	\$154.20		\$133.95
DFWELP22FEB9	HP0027/HP0421		\$132.09	\$255.40		\$132.09
DFWELP22FEB9	CO0414/CO2395		\$133.02			\$133.02
DFWELP22FEB9	CO0414/UA0765/UA6699		\$139.99			
DFWELP22FEB9	HP0890/HP0421		\$271.63	\$226.60		\$271.63
DFWELP22FEB9	AA1511/UA0743/UA6697	N	\$301.86			
DFWELP22FEB9	DL3010/DL3238		\$370.23	\$383.90		



DFWELP22FEB9	F90417/F94016		\$386.97	\$100.40		
DFWELP22FEB9	DL3221/DL2940			\$383.90	\$413.90	
DFWELP22FEB9	DL3010/DL3228				\$413.90	
DFWELP22FEB9	DL2917/DL3376				\$409.40	
DFWELP22FEB9	AA0571	X		\$89.20		
DFWELP22FEB9	AA0571	Y		\$154.20		
DFWELP22FEB9	CO414/UA0765/UA6699					\$139.99
DFWELP22FEB9	AA2015/HP6163/HP6357	N				\$203.72
DFWELP22FEB9	AA0603/HP6332/HP6357	N				\$204.65
DFWELP22FEB9	CO3265/HP0623/HP6357					\$259.53
DFWELP22FEB9	AA3689/UA743/UA6697	N				\$301.86
DFWELP22FEB9	F90847/F94014			\$100.40		
DFWELP22FEB9	AA2328/AA0423	N		\$640.40		
DFWELP22FEB9	UA7685/UA6699				\$158.90	
DFWELP22FEB9	UA0447/UA6695				\$95.90	

Figure 40: DFW-ELP STATISTICAL DATA

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares									
Displayed CA CP Fares	2	1	50.0%	1	50.0%	2	100.0%	0	0.0%
Displayed Total CP Fares	2	1	50.0%	1	50.0%	2	100.0%	0	0.0%
Displayed for CC	4	2	50.0%	2	50.0%	4	100.0%	0	0.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	4	100.0%	0	0.0%
Identical CP Flights Appearing in all 4 Systems	0								
% of Identical CP Flights Appearing in all 4 Systems	0.0%								

Table 49: BWI-ATL 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$117.00	\$108.84	\$8.16	\$10.20	\$18.36
	CA				
	\$87.00	\$80.93	\$6.07	\$10.20	\$16.27

CITYPAIR	TOTAL FLIGHTS	Contract Carrier	DTS	FedTraveler	e2 Solutions	Gov Trip
BWIATL21FEB9	DL0651	X	\$80.93	\$97.20	\$97.20	\$80.93
BWIATL21FEB9	DL0651	Y	\$108.84	\$127.20		\$108.84
BWIATL21FEB9	CO2546/CO2000		\$86.04	\$112.90		\$86.04
BWIATL21FEB9	US1451/US2929		\$90.23			\$90.23
BWIATL21FEB9	CO2861/CO4296		\$213.02			\$213.02
BWIATL21FEB9	US1151/DL0551	N	\$243.72			\$243.72
BWIATL21FEB9	DL1490	X		\$97.20	\$97.20	
BWIATL21FEB9	DL1490	Y		\$127.20		
BWIATL21FEB9	DL0221	X		\$97.20	\$97.20	
BWIATL21FEB9	DL0221	Y		\$127.20		
BWIATL21FEB9	DL1653	X		\$97.20	\$97.20	
BWIATL21FEB9	DL1653	Y		\$127.20		
BWIATL21FEB9	DL0287	Y		\$127.20	\$127.20	
BWIATL21FEB9	DL1003	Y		\$127.20	\$127.20	
BWIATL21FEB9	DL1893	X			\$97.20	
BWIATL21FEB9	DL5734/DL0686	Y		\$132.90		
BWIATL21FEB9	FL0471			\$224.20		
BWIATL21FEB9	FL0443			\$224.20		
BWIATL21FEB9	UA2722/UA3280			\$357.90		
BWIATL21FEB9	UA0641/UA0454			\$132.90		\$224.18
BWIATL21FEB9	FL0461/FL0112			\$229.90		
BWIATL21FEB9	UA5843			\$85.20		
BWIATL21FEB9	US2494/DL1122	N		\$399.40		
BWIATL21FEB9	AA0577/AA0725			\$224.40		
BWIATL21FEB9	AA1201/AA1145					\$189.76
BWIATL21FEB9	UA2658/DL0551	N				\$243.72

Figure 41: BWI-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares	7	1	14.3%	1	14.3%	7	100.0%	2	28.6%



Displayed									
CA CP Fares Displayed	5	1	20.0%	1	20.0%	4	80.0%	5	100.0%
Total CP Fares Displayed for CC	12	2	16.7%	2	16.7%	11	91.7%	7	58.3%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	11	100.0%	7	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								8.3%

Table 50 ATL-BWI 22FEB05

Contract	Carrier	YCA	BASE	US tax	Other	Total Tax/Other
DL		\$117.00	\$108.84	\$8.16	\$10.20	\$18.36
	CA	\$87.00	\$80.93	\$6.07	\$10.20	\$16.27

CITYPAIRTIME	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ATLBWI22FEB9	DL0872	Y	\$108.84	\$127.20		\$108.84
ATLBWI22FEB9	DL0872	X	\$80.93	\$97.20	\$97.20	\$80.93
ATLBWI22FEB9	US1679/US3152		\$86.04	\$112.90		\$86.04
ATLBWI22FEB9	US0582/US0418		\$90.23			\$90.23
ATLBWI22FEB9	FL0177/FL0472		\$165.58	\$196.90		\$165.58
ATLBWI22FEB9	AA1981/AA1664		\$295.82	\$338.40		\$295.82
ATLBWI22FEB9	DL5716	X		\$97.20	\$97.20	
ATLBWI22FEB9	DL5716	Y		\$127.20		
ATLBWI22FEB9	DL0261	X		\$97.20	\$97.20	
ATLBWI22FEB9	DL0261	Y		\$127.20		
ATLBWI22FEB9	DL1426	X		\$97.20	\$97.20	



ATLBWI22FEB9	DL1426	Y		\$127.20		
ATLBWI22FEB9	DL4482	N		\$888.40		
ATLBWI22FEB9	DL4482	N		\$938.40		
ATLBWI22FEB9	FL1754			\$224.20		
ATLBWI22FEB9	US2860/US4149			\$117.40		
ATLBWI22FEB9	AA2263/AA2096			\$207.40		
ATLBWI22FEB9	DL1529	X		\$97.20		
ATLBWI22FEB9	US1679/UA4029					\$352.56
ATLBWI22FEB9	UA2455/UA2696					\$371.17
ATLBWI22FEB9	UA2455/US0418					\$371.17
ATLBWI22FEB9	US0582/UA2696					\$380.47

Figure 42: ATL-BWI STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed CA CP	4	1	25.0%	1	25.0%	4	100.0%	0	0.0%
Fares Displayed Total CP Fares Displayed for CC	5	1	20.0%	1	20.0%	5	100.0%	4	80.0%
	9	2	22.2%	2	22.2%	9	100.0%	4	44.4%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	2	100.0%	2	100.0%	9	100.0%	4	100.0%
	2								
	22.2%								

Table 51: SFO-MRY 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
----------------------	-----	------	--------	-------	-----------------



UA	\$191.00	\$177.67	\$13.33	\$10.20	\$23.53
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
SFOMRY21FEB9	UA6456	Y	\$177.67			
SFOMRY21FEB9	UA6222	Y		\$201.20	\$201.20	\$177.67
SFOMRY21FEB9	UA6224	Y		\$201.20	\$201.20	\$177.67
SFOMRY21FEB9	UA6428	Y		\$201.20	\$201.20	
SFOMRY21FEB9	US8289					\$186.97
SFOMRY21FEB9	US8288					\$186.97

Figure 43 SFO-MRY STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	4	1	25.0%	2	50.0%	3	75.0%	3	75.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	4	1	25.0%	2	50.0%	3	75.0%	3	75.0%
CC Flights Displaying Correct CP Rate	N/A	1	100.0%	2	100.0%	3	100.0%	3	100.0%
Identical CP Flights Appearing in all 4 Systems	0								
% of Identical CP Flights Appearing in all 4 Systems	0.0%								

Table 52: MRY-SFO 22FEB05



Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA	\$191.00	\$177.67	\$13.33	\$10.20	\$23.53
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier					
MRYSFO22FEB9	UA6225	Y		\$177.67	\$201.20	\$201.20	\$177.67
MRYSFO22FEB9	US8286			\$177.67			\$177.67
MRYSFO22FEB9	UA6459	Y			\$201.20	\$201.20	
MRYSFO22FEB9	UA6221	Y			\$201.20	\$201.20	
MRYSFO22FEB9	UA6231	Y			\$201.20	\$201.20	\$177.67

Figure 44: MRY-SFO STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	4	1	25.0%	2	50.0%	4	100.0%	4	100.0%
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	4	1	25.0%	2	50.0%	4	100.0%	4	100.0%
CC Flights Displaying Correct CP Rate	N/A	1	100.0%	2	100.0%	4	100.0%	4	100.0%
CC Flights Displaying Identical CP Rate	1								
CC Flights Displaying Identical CP Rate in all 4 Systems	25.0%								

Table 53: TUS-DFW 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA	\$290.00	\$269.77	\$20.23	\$8.70	\$28.93
	CA				
	\$189.00	\$175.81	\$13.19	\$8.70	\$21.89

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
TUSDFW21FEB9	AA1124	Y	\$269.77	\$298.70	\$298.70	\$269.77
TUSDFW21FEB9	AA1720	X	\$175.81	\$197.70	\$197.70	\$175.81
TUSDFW21FEB9	AA1720	Y		\$298.70	\$298.70	
TUSDFW21FEB9	US6346/HP0542		\$292.09			\$292.09
TUSDFW21FEB9	HP6563/HP6240		\$306.97	\$348.90		\$306.97
TUSDFW21FEB9	HP6351/HP0542		\$306.97	\$348.90		\$306.97
TUSDFW21FEB9	AA0323	X		\$197.70	\$197.70	
TUSDFW21FEB9	AA0323	Y		\$298.70		
TUSDFW21FEB9	AA0552	X		\$197.70	\$197.70	\$175.81
TUSDFW21FEB9	AA0552	Y		\$298.70		
TUSDFW21FEB9	AA1014	Y		\$298.70	\$298.70	\$269.77
TUSDFW21FEB9	AA1002/AA2329	N		\$564.90	\$564.90	
TUSDFW21FEB9	AA1412/AA2341	N		\$564.90		
TUSDFW21FEB9	CO1850/CO0759			\$513.40		
TUSDFW21FEB9	UA7262/UA0490			\$852.39		
TUSDFW21FEB9	CO1820/CO0315			\$613.40		
TUSDFW21FEB9	DL3968/DL0597			\$485.90		
TUSDFW21FEB9	UA0234/HP0542			\$332.90		\$306.97

Figure 45: TUS-DFW STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	5	1	20.0%	2	40.0%	5	100.0%	3	60.0%
CA CP Fares Displayed	3	1	33.3%	2	66.7%	3	100.0%	3	100.0%
Total CP Fares Displayed for CC	8	2	25.0%	4	50.0%	8	100.0%	6	75.0%



CC Flights Displaying Correct CP Rate	N/A	2	100.0%	4	100.0%	8	100.0%	6	100.0%
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	2								
	25.0%								

Table 54: DFW-TUS 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA	\$290.00	\$269.77	\$20.23	\$10.20	\$30.43
	CA				
	\$189.00	\$175.81	\$13.19	\$10.20	\$23.39

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DFWTUS22FEB9	AA1107	Y	\$269.77	\$300.20	\$300.20	\$269.77
DFWTUS22FEB9	AA1633	X	\$175.81			\$175.81
DFWTUS22FEB9	UA1133/UA1231		\$171.62	\$204.90		\$171.62
DFWTUS22FEB9	DL1697/DL3965		\$171.62			\$171.62
DFWTUS22FEB9	US6889/US5888		\$185.11			\$185.11
DFWTUS22FEB9	HP6439/HP6438		\$306.97			\$306.97
DFWTUS22FEB9	AA2324/AA1843	N		\$437.40	\$437.40	
DFWTUS22FEB9	AA2332/AA1061	N		\$645.40	\$818.40	
DFWTUS22FEB9	AA2382/AA1069	N		\$437.40		
DFWTUS22FEB9	DL1810/DL3960			\$487.40		
DFWTUS22FEB9	HP0027/HP6435			\$350.40		
DFWTUS22FEB9	CO0414/CO3294			\$214.90		
DFWTUS22FEB9	F90417/F94179			\$232.40		
DFWTUS22FEB9	DL0770/DL0857			\$359.50		\$315.35
DFWTUS22FEB9	HP0421/HP6439			\$433.60		
DFWTUS22FEB9	F90847/F94171			\$232.40		
DFWTUS22FEB9	US6885/US5888			\$404.40		
DFWTUS22FEB9	AA1007/HP6437	N		\$434.40		\$390.69
DFWTUS22FEB9	AA1245/F94179	N				\$338.60

Figure 46: DFW-TUS STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed CA CP	1	1	100.0%	1	100.0%	1	100.0%	1	100.0%
Fares Displayed	1	1	100.0%	1	100.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	2	2	100.0%	2	100.0%	1	50.0%	1	50.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A 1 50.0%	2	100.0%	2	100.0%	1	100.0%	1	100.0%

Table 55: SAT-ATL 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$370.00	\$344.19	\$25.81	\$8.70	\$34.51
	CA	\$260.47	\$19.53	\$8.70	\$28.23

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
SATATL21FEB9	DL0224	Y	\$344.19	\$378.70	\$378.70	\$344.19
SATATL21FEB9	DL0627/DL1617	X	\$256.28	\$294.40		\$256.28
SATATL21FEB9	DL1594	X	\$260.47	\$288.70	\$288.70	\$260.47
SATATL21FEB9	CO0264/DL1116		\$256.74			\$256.74
SATATL21FEB9	NW0630/DL0680		\$643.72			
SATATL21FEB9	DL1195	Y		\$378.70	\$378.70	
SATATL21FEB9	DL2708/DL4213	N		\$493.40	\$493.40	



SATATL21FEB9	DL3063/DL1672	N	\$493.40		
SATATL21FEB9	DL0889/DL0686	Y	\$384.40		
SATATL21FEB9	UA0642/UA0454				\$340.00
SATATL21FEB9	CO0264/CO2872				\$368.38
SATATL21FEB9	NW0630/NW8974				\$492.09
SATATL21FEB9	DL6816/DL0680	N			\$492.09
SATATL21FEB9	AA1214/AA0725		\$345.90		
SATATL21FEB9	CO0264/CO4301		\$367.40		
SATATL21FEB9	NW6464/NW6850		\$543.40		\$492.09
SATATL21FEB9	US7123/US6474		\$308.90		\$269.77
SATATL21FEB9	NW6210/NW7620		\$543.40		
SATATL21FEB9	NW6464/NW8120		\$543.40		
SATATL21FEB9	HP6161/HP0612		\$452.90		

Figure 47 SAT-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	3	1	33.3%	1	33.3%	3	100.0%	2	66.7%
CA CP Fares Displayed	2	2	100.0%	2	100.0%	2	100.0%	1	50.0%
Total CP Fares Displayed for CC	5	3	60.0%	3	60.0%	5	100.0%	3	60.0%
CC Flights Displaying Correct CP Rate	N/A	2	66.7%	2	66.7%	5	100.0%	3	100.0%
Identical CP Flights Appearing in all 4 Systems	2								
% of Identical CP Flights Appearing in all 4 Systems	40.0%								



Table 56: ATL-SAT 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$370.00	\$344.19	\$25.81	\$10.20	\$36.01
	CA				
	\$280.00	\$260.47	\$19.53	\$10.20	\$29.73

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ATLSAT22FEB9	DL1480	X	\$260.47	\$290.20	\$290.20	\$260.47
ATLSAT22FEB9	DL1480	Y	\$344.19	\$380.20		\$344.19
ATLSAT22FEB9	DL1059/AA1503	N	\$152.56			\$152.56
ATLSAT22FEB9	AA1347/AA1503		\$152.56	\$184.40		\$152.56
ATLSAT22FEB9	UA0469/UA0669		\$256.28			\$256.28
ATLSAT22FEB9	NW0819/NW5735		\$260.47	\$295.90		\$260.47
ATLSAT22FEB9	US6499/US7120		\$269.77	\$310.40		\$269.77
ATLSAT22FEB9	DL1872/DL6937	N	\$445.58	\$494.90		\$445.58
ATLSAT22FEB9	CO5819/CO7996		\$834.42			\$834.42
ATLSAT22FEB9	DL0407	X		\$290.20	\$290.20	
ATLSAT22FEB9	DL0407	Y		\$380.20		
ATLSAT22FEB9	DL4213/DL3154	N		\$444.90	\$494.90	
ATLSAT22FEB9	DL4326/DL2958	N		\$444.90		
ATLSAT22FEB9	AA2263/AA0659			\$127.40	\$127.40	
ATLSAT22FEB9	AA1981/AA1079			\$184.40		
ATLSAT22FEB9	CO1424/CO0779			\$261.90		
ATLSAT22FEB9	DL4529	X		\$290.20	\$290.20	\$260.47
ATLSAT22FEB9	DL4529	Y		\$380.20		
ATLSAT22FEB9	UA0873/UA0550			\$443.40		
ATLSAT22FEB9	CO2873/CO0379			\$305.90		
ATLSAT22FEB9	AA1197/AA2015			\$127.40		
ATLSAT22FEB9	DL0185/AA0659	N		\$312.40		
ATLSAT22FEB9	AA0491/AA1244			\$184.40		

Figure 48: ATL-SAT STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares									
Displayed	3	1	33.3%	1	33.3%	3	100.0%	0	0.0%
_CA CP	3	1	33.3%	2	66.7%	3	100.0%	3	100.0%



Fares Displayed Total CP Fares Displayed for CC	6	2	33.3%	3	50.0%	6	100.0%	3	50.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	2	100.0%	3	100.0%	6	100.0%	3	100.0%
	1								
	16.7%								

6.2 10 Complex Markets

DTW – AZO (Detroit – Kalamazoo) data appear above in 25 frequently traveled markets.

Table 57: DAY-CVG 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE			N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DAYCVG21FEB9	DL5754		\$380.47	\$419.20	\$419.20	\$380.47
DAYCVG21FEB9	DL5756			\$269.20	\$419.20	
DAYCVG21FEB9	DL5753			\$269.20	\$419.20	

Table 58: CVG-DAY 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE			N/A				
			CA				



N/A

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
CVGDAY22FEB9	DL5756		\$380.47	\$269.20	\$419.20	\$380.47
CVGDAY22FEB9	DL5756		\$380.47	\$269.20	\$419.20	\$380.47

Table 59: ATL-ABY 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE	N/A				
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ATLABY21FEB9	DL4286		\$255.81	\$282.00		\$255.81

Table 60: ABY-ATL 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE	N/A				
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ABYATL22FEB9	DL4622		\$255.81	\$282.00	\$282.00	\$255.81

Table 61: GRK-DFW 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE	N/A				
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
GRKDFW21FEB9	CO9555/CO2225					\$304.00
GRKDFW21FEB9	AA3414		\$96.74	\$154.20	\$154.20	\$133.95
GRKDFW21FEB9	AA3356		\$133.95	\$154.20	\$154.20	
GRKDFW21FEB9	CO3259/AA3630		\$156.28	\$169.90		\$212.00
GRKDFW21FEB9	CO9555/CO2523		\$201.86	\$232.90		



GRKDFW21FEB9	CO9555/CO9556/AA3244	\$285.59			\$285.59
GRKDFW21FEB9	CO9555/CO9556/AA3244	\$1,067.90			\$285.59
GRKDFW21FEB9	CO3259/CO3264	\$304.18	\$342.90		
GRKDFW21FEB9	AA3684		\$114.20	\$114.20	\$96.74
GRKDFW21FEB9	AA3308		\$154.20	\$154.20	
GRKDFW21FEB9	CO9555/CO0759		\$218.90		
GRKDFW21FEB9	CO3309/CO1815		\$179.90		
GRKDFW21FEB9	CO3309/AA1669		\$169.90		
GRKDFW21FEB9	CO2071/AA3798		\$509.90		
GRKDFW21FEB9	AA3420		\$114.20		

Table 62: DFW-GRK 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE			N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DFWGRK22FEB9	AA3357		\$96.74	\$114.20	\$114.20	
DFWGRK22FEB9	AA1511/CO9527		\$438.15	\$169.90		
DFWGRK22FEB9	AA1511/CO9527		\$156.28	\$169.90		
DFWGRK22FEB9	CO1981/CO2070		\$165.58	\$179.90		
DFWGRK22FEB9	CO0414/CO9527		\$165.58			
DFWGRK22FEB9	AA3619/CO2070		\$212.09	\$229.90		
DFWGRK22FEB9	AA3307			\$114.20	\$114.20	
DFWGRK22FEB9	AA3421			\$114.20	\$114.20	
DFWGRK22FEB9	CO0258/CO9582			\$179.90		
DFWGRK22FEB9	AA3591/CO9527			\$252.90		

Table 63: RIC-IAD 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE			N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
RICIAD21FEB9	US3646/US4924		\$381.85	\$322.90		\$381.85
RICIAD21FEB9	UA4465/UA7906		\$424.19		\$476.40	\$424.19
RICIAD21FEB9	US3646/US8167		\$474.88	\$530.90	\$530.90	\$474.88
RICIAD21FEB9	US2732/US3743/US7695		\$523.72			\$523.72

RICIAD21FEB9	US2732/US8126	\$548.83	\$610.40		\$548.83
RICIAD21FEB9	UA3659/UA3442/UA5962	\$780.47			\$780.47
RICIAD21FEB9	UA3659/UA3743/US7965	\$825.11			\$825.11
RICIAD21FEB9	UA3659/UA3743/US7965	\$1,076.28			\$1,076.28
RICIAD21FEB9	UA8010		\$317.20	\$425.20	
RICIAD21FEB9	UA7965		\$317.20	\$425.20	\$386.04
RICIAD21FEB9	US0110/US8129			\$435.40	
RICIAD21FEB9	UA3659/UA7192				\$403.72
RICIAD21FEB9	UA2368/UA7194		\$454.40		
RICIAD21FEB9	US4920/US3634		\$322.90		

Table 64: IAD-RIC 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	NONE		N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				
IADRIC22FEB9	UA7194/UA2447/UA3195		\$217.67				\$217.67
IADRIC22FEB9	US8129/US0958/UA3195		\$867.91				
IADRIC22FEB9	US8129/US0958/UA3195		\$226.97				
IADRIC22FEB9	US8129/US4149/US3656		\$386.04				\$386.04
IADRIC22FEB9	UA7981		\$386.04	\$317.20	\$425.20		\$386.04
IADRIC22FEB9	UA7194/US0325		\$403.72				
IADRIC22FEB9	UA7194/UA2229		\$403.72				\$403.72
IADRIC22FEB9	UA5346/UA4441		\$413.02				
IADRIC22FEB9	US8129/US0325			\$327.40	\$435.40		\$386.04
IADRIC22FEB9	US4921/US3553				\$430.90		\$381.85
IADRIC22FEB9	UA4493/UA4441				\$476.40		\$424.19
IADRIC22FEB9	UA7914/US0325						\$403.72
IADRIC22FEB9	US8129/UA2229						\$413.02

Table 65: DTW-DAY 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	NONE		N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				



eTS / DTS Fare Audit
Report and Findings - Revision IV
May 5, 2005

DTWDAY21FEB9	AA0591/AA4309	\$100.46	\$128.40		\$100.46
DTWDAY21FEB9	UA0331/UA5606	\$100.46	\$128.40	\$128.40	\$100.46
DTWDAY21FEB9	AA1775/UA5606	\$100.46	\$128.40		\$100.46
DTWDAY21FEB9	NW1557/UA5606	\$100.46	\$128.40		\$100.46
DTWDAY21FEB9	NW1557/UA7915	\$100.46			
DTWDAY21FEB9	AA0775/AA4195	\$100.46			
DTWDAY21FEB9	UA0145/AA4195	\$100.46	\$128.40		\$100.46
DTWDAY21FEB9	AA1775/US7915	\$109.76	\$138.40		\$109.76
DTWDAY21FEB9	NW1557/US7915	\$109.76			\$109.76
DTWDAY21FEB9	UA0145/US7916	\$109.76			\$109.76
DTWDAY21FEB9	US6971/AA4195	\$109.76			\$109.76
DTWDAY21FEB9	NW3326	\$328.37	\$338.20	\$363.20	\$328.37
DTWDAY21FEB9	NW3163		\$338.20	\$363.20	
DTWDAY21FEB9	DL5901/DL5756		\$343.90		
DTWDAY21FEB9	DL5200/DL5057		\$343.90		
DTWDAY21FEB9	NW3098/NW5164		\$599.40		
DTWDAY21FEB9	AA0755/AA4195		\$128.40		
DTWDAY21FEB9	CO7353/CO3238		\$353.90		
DTWDAY21FEB9	UA0145/UA6983		\$128.40		
DTWDAY21FEB9	UA7124/UA7883		\$376.40		

Table 66: DAY-DTW 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE	N/A				
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
DAYDTW22FEB9	AA4314/AA0612		\$137.67	\$168.40		\$137.67
DAYDTW22FEB9	AA4314/NW1240		\$137.67			\$137.67
DAYDTW22FEB9	UA6976/UA5461		\$137.67	\$168.40		\$137.67
DAYDTW22FEB9	CO2288/CO7356		\$324.18	\$353.90		\$324.18
DAYDTW22FEB9	NW5833		\$328.37	\$338.20	\$363.20	\$328.37
DAYDTW22FEB9	FL0444/NW0215		\$348.84			\$348.84
DAYDTW22FEB9	FL0444/NW0215		\$390.70			\$348.84
DAYDTW22FEB9	CO2288/NW3099		\$445.58			\$445.58
DAYDTW22FEB9	DL5754/NW3506		\$481.87			\$481.87
DAYDTW22FEB9	US7890/US7502		\$761.86			
DAYDTW22FEB9	NW3160			\$338.20	\$363.20	
DAYDTW22FEB9	NW3168			\$338.20	\$363.20	
DAYDTW22FEB9	NW3164				\$363.20	
DAYDTW22FEB9	NW5304/NW3099				\$599.40	

DAYDTW22FEB9	DL5756/DL5203	\$343.90		
DAYDTW22FEB9	AA4313/AA1514	\$128.40		
DAYDTW22FEB9	DL5753/AA5201	\$388.40		
DAYDTW22FEB9	NW5106/NW5496	\$686.40		
DAYDTW22FEB9	DL5753/DL5199	\$343.90		
DAYDTW22FEB9	UA7890/UA7171	\$376.40		

Table 67: CHO-CLT 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE			N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier					
CHOCLT21FEB9	US4199			\$240.93		\$269.20	\$240.93
CHOCLT21FEB9	UA5522/UA7145			\$283.25	\$324.90		\$283.25
CHOCLT21FEB9	UA3200			\$287.44	\$319.20	\$319.20	\$287.44
CHOCLT21FEB9	DL4145/DL0819			\$295.82	\$338.40		\$295.82
CHOCLT21FEB9	UA5522/US7742/US0725			\$590.70			
CHOCLT21FEB9	UA5522/US7742/US0725			\$887.44			
CHOCLT21FEB9	UA5522/US7874/US2975			\$590.70			\$590.70
CHOCLT21FEB9	UA5522/US7550			\$590.70			\$590.70
CHOCLT21FEB9	US2972				\$269.20	\$269.20	\$240.93
CHOCLT21FEB9	UA3940					\$319.20	
CHOCLT21FEB9	UA3668				\$319.20	\$319.20	
CHOCLT21FEB9	US2985				\$269.20	\$269.20	\$240.93
CHOCLT21FEB9	UA3196				\$317.70	\$317.70	
CHOCLT21FEB9	UA5522/US7742/US725						\$590.70
CHOCLT21FEB9	UA5520/UA5301				\$324.90		
CHOCLT21FEB9	UA1979/UA7909				\$633.90		
CHOCLT21FEB9	DL4707/UA3023				\$684.40		
CHOCLT21FEB9	UA5520/UA7845/UA1757				\$520.10		

Table 68: CLT-CHO 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE			N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier					



CLTCHO22FEB9	US2676	\$240.93		\$267.70	\$240.93
CLTCHO22FEB9	UA3695	\$287.44	\$317.70	\$317.70	\$287.44
CLTCHO22FEB9	DL5249/DL5041	\$385.58	\$383.40		\$385.58
CLTCHO22FEB9	US2242/US7739/UA7909	\$590.70			\$590.70
CLTCHO22FEB9	US2707/US7880/UA7909	\$590.70			\$590.70
CLTCHO22FEB9	US0122/UA7909	\$590.70			\$590.70
CLTCHO22FEB9	US0122/UA7909	\$887.44			\$590.70
CLTCHO22FEB9	UA2258/UA7814/UA5509	\$630.22			
CLTCHO22FEB9	US1455/UA7816/UA7909	\$765.11			
CLTCHO22FEB9	US1455/UA7816/UA7909	\$630.22			
CLTCHO22FEB9	US4282			\$267.80	
CLTCHO22FEB9	UA3141			\$317.70	
CLTCHO22FEB9	UA7248/UA5523		\$323.40		
CLTCHO22FEB9	DL5692/DL5071		\$383.40		
CLTCHO22FEB9	DL1473/DL4145		\$336.90		
CLTCHO22FEB9	US4061		\$267.70		
CLTCHO22FEB9	US4016		\$267.70	\$267.70	
CLTCHO22FEB9	UA7132/UA7909		\$323.40		
CLTCHO22FEB9	UA2098/UA7909		\$323.40		\$283.25
CLTCHO22FEB9	UA1988/UA7909		\$323.40		

Table 69: HNL-OGG 21FEB05

Contract Carrier CPP	IYCA	BASE	US tax	Other	Total Tax/Other
NONE	N/A				
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier					
HNLOGG21FEB9	HA0136			\$60.47	\$70.70	\$70.70	\$60.47
HNLOGG21FEB9	IS1488			\$62.33			\$62.33
HNLOGG21FEB9	NW4902			\$287.45			\$287.45
HNLOGG21FEB9	HA0156					\$70.70	\$60.47
HNLOGG21FEB9	AQ1488					\$72.70	
HNLOGG21FEB9	AQ5488				\$114.70	\$139.70	
HNLOGG21FEB9	AQ7072					\$70.70	
HNLOGG21FEB9	HA0116				\$70.70	\$70.70	\$60.47
HNLOGG21FEB9	NW4900					\$314.70	
HNLOGG21FEB9	AQ0204				\$69.00	\$70.70	\$60.47
HNLOGG21FEB9	HA0206					\$70.70	
HNLOGG21FEB9	HA0520				\$70.70	\$70.70	\$60.47
HNLOGG21FEB9	HA0316				\$70.70	\$70.70	



HNLOGG21FEB9	AQ0206				\$60.47
HNLOGG21FEB9	NW4924		\$314.71		
HNLOGG21FEB9	HA0126		\$70.70		
HNLOGG21FEB9	HA0106		\$70.70		
HNLOGG21FEB9	HA0114		\$70.70		
HNLOGG21FEB9	AQ5280		\$139.70		
HNLOGG21FEB9	AQ0062		\$69.00		\$60.47
HNLOGG21FEB9	AQ0110		\$70.70		
HNLOGG21FEB9	AQ0220		\$70.70		
HNLOGG21FEB9	NW0085		\$59.70		
HNLOGG21FEB9	AQ0266		\$69.00		

Table 70: OGG-HNL 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	NONE		N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
OGGHNL22FEB9	AQ0063		\$60.47		\$70.70	\$60.47
OGGHNL22FEB9	IS1243/IS1133		\$62.33			\$62.33
OGGHNL22FEB9	IS1451		\$62.33	\$72.70		\$62.33
OGGHNL22FEB9	AQ5243/AQ5133		\$126.51			\$126.51
OGGHNL22FEB9	IS1243/AQ5243		\$184.19			
OGGHNL22FEB9	AQ5243/IS1243		\$224.66			
OGGHNL22FEB9	NW4939		\$287.45			
OGGHNL22FEB9	HA0115			\$70.70	\$70.70	
OGGHNL22FEB9	AQ0267				\$70.70	\$60.47
OGGHNL22FEB9	HA0155			\$70.70	\$70.70	\$60.47
OGGHNL22FEB9	AQ0203			\$69.00	\$70.70	
OGGHNL22FEB9	NW4923				\$314.70	
OGGHNL22FEB9	HA0133			\$70.70	\$70.70	
OGGHNL22FEB9	HA0207				\$70.70	
OGGHNL22FEB9	HA0525			\$70.70	\$70.70	
OGGHNL22FEB9	HA0315			\$70.70		
OGGHNL22FEB9	NW0086			\$59.70		
OGGHNL22FEB9	AQ0245			\$70.70		
OGGHNL22FEB9	AQ0207			\$69.00		
OGGHNL22FEB9	AQ5249			\$114.70		



Table 71: MDW-SDF 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE	N/A				
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
MDWSDF21FEB9	TZ4290/US2573		\$394.42	\$380.90		\$336.74
MDWSDF21FEB9	TZ4290/US2573		\$336.74	\$306.90		\$336.74
MDWSDF21FEB9	FL0825/DL0530		\$344.19	\$388.90		\$344.19
MDWSDF21FEB9	FL0825/DL0530		\$336.74	\$388.90		\$344.19
MDWSDF21FEB9	FL0821/DL4682		\$344.19			
MDWSDF21FEB9	DL5313/DL5666		\$357.67	\$403.40	\$403.40	\$357.67
MDWSDF21FEB9	TZ4290/UA3627		\$360.93			\$360.93
MDWSDF21FEB9	CO5367/CO5295			\$317.90	\$514.90	
MDWSDF21FEB9	NW1184/NW1129				\$209.40	
MDWSDF21FEB9	TZ4296/UA3939			\$306.90		
MDWSDF21FEB9	WN0412		\$77.21	\$91.70	\$91.70	\$77.21
MDWSDF21FEB9	WN1074			\$91.70	\$91.70	\$77.21
MDWSDF21FEB9	WN0554			\$91.70	\$91.70	

Table 72: SDF-MDW 22FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
NONE	N/A				
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
SDFMDW22FEB9	DL5660/NW2858/NW1421					\$246.52
SDFMDW22FEB9	DL5661/NW2870/NW0531					\$305.12
SDFMDW22FEB9	WN0276		\$77.21	\$91.70	\$91.70	\$77.21
SDFMDW22FEB9	NW3219/NW1891		\$177.20	\$209.40	\$209.40	\$177.20
SDFMDW22FEB9	DL5661/NW2858/NW1421		\$670.70			\$246.52
SDFMDW22FEB9	DL5661/NW2858/NW1421		\$246.52			\$246.52
SDFMDW22FEB9	CO7472/CO6891		\$461.40		\$514.90	\$461.40
SDFMDW22FEB9	WN1611			\$91.70	\$91.70	
SDFMDW22FEB9	DL5761/DL5313			\$313.40	\$403.40	
SDFMDW22FEB9	NW5148/NW5137			\$213.90		
SDFMDW22FEB9	CO2068/CO2102			\$313.40		



SDFMDW22FEB9	NW1524/NW1421		\$209.40
--------------	---------------	--	----------

Table 73: IAH-SJT 21FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	NONE		N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	Gov.Trip
IAHSJT21FEB9	CO9529		\$131.50	\$131.50	\$120.00	\$120.00
IAHSJT21FEB9	AA0708/AA3419				\$152.56	
IAHSJT21FEB9	AA3630/AA3419				\$152.56	
IAHSJT21FEB9	CO9556/AA3244/AA3669		\$223.90		\$189.30	\$189.30
IAHSJT21FEB9	CO9556/AA3244/AA3669		\$223.90		\$689.76	\$189.30
IAHSJT21FEB9	CO2523/AA3419		\$225.70	\$225.70	\$198.14	\$198.14
IAHSJT21FEB9	AA3410/AA3419		\$236.70	\$236.70	\$208.37	\$208.37
IAHSJT21FEB9	AA3410/AA3419		\$314.70	\$236.70	\$208.37	\$208.37
IAHSJT21FEB9	CO9540/AA3324/AA3419				\$239.53	\$239.53
IAHSJT21FEB9	CO9540/AA3324/AA3419				\$729.76	\$239.53
IAHSJT21FEB9	CO9540/AA3296/AA3669		\$248.50		\$239.53	\$239.53
IAHSJT21FEB9	CO9525/AA3266/AA3669				\$287.91	\$287.91
IAHSJT21FEB9	AA0708/AA3417		\$314.70	\$176.70		
IAHSJT21FEB9	AA0708/AA3417		\$176.70	\$176.70		
IAHSJT21FEB9	AA3410/AA3439/CO9543		\$574.60			
IAHSJT21FEB9	CO9525/AA3258/AA3383		\$308.90			
IAHSJT21FEB9	CO9540/AA3296/AA3269					
IAHSJT21FEB9	CO2078/AA3419		\$225.70			
IAHSJT21FEB9	CO9519/AA3244/AA3669		\$223.90			
IAHSJT21FEB9	CO9515/AA3266/AA3669		\$308.90			\$287.91
IAHSJT21FEB9	CO2225/AA3439/CO9543		\$638.60			
IAHSJT21FEB9	CO9515/AA3254/AA3419		\$483.90			

Table 74: SJT-IAH 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	NONE		N/A				
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	Gov.Trip
SJTIAH22FEB9	CO9552		\$120.00		\$136.00	\$120.00



SJTIAH22FEB9	AA3384/AA3689	\$207.90	\$259.20	\$259.20	\$207.90
SJTIAH22FEB9	AA3384/AA0825	\$225.12	\$259.20	\$259.20	\$225.12
SJTIAH22FEB9	AA3384/CO3265	\$234.42	\$269.20		\$234.42
SJTIAH22FEB9	AA350/AA3349/CO9534	\$287.91			
SJTIAH22FEB9	AA3384/AA3385/CO2537	\$666.05	\$636.40		\$666.05
SJTIAH22FEB9	AA3550/AA3349/CO9534	\$715.81	\$308.90		\$287.91
SJTIAH22FEB9	CO9530		\$136.00	\$136.00	
SJTIAH22FEB9	AA3416/AA0645		\$181.20	\$181.20	
SJTIAH22FEB9	AA3416/AA3837		\$181.20	\$181.20	
SJTIAH22FEB9	AA3416/AA3279/CO9559		\$373.40		
SJTIAH22FEB9	AA3416/CO2529		\$191.20		
SJTIAH22FEB9	AA3416/CO0614		\$191.20		
SJTIAH22FEB9	AA3384/AA1079/CO0307		\$406.40		
SJTIAH22FEB9	AA3384/AA0659/CO1578		\$406.40		
SJTIAH22FEB9	AA3384/AA0603/CO0540		\$350.90		
SJTIAH22FEB9	AA3550/AA1841/CO0532		\$306.40		
SJTIAH22FEB9	CO5992		\$136.00		
SJTIAH22FEB9	AA3416/AA1904/CO1632		\$306.40		
SJTIAH22FEB9	AA3416/AA3427/CO9520		\$413.00		
SJTIAH22FEB9	AA3416/AA3385/CO2537		\$558.40		

6.3 10 International Markets

Airport-specific air and tariff searches were conducted precisely targeted to those airport codes provided by the Government.

Table 75: FRA-IAD 21FEB04 (* Includes USD \$25.00 Fuel Surcharge)

Contract	Carrier	YCA	BASE	US tax	Other	Total Tax/Other
	UA	\$550.00	\$575.00*	\$14.10	\$49.95	\$64.05
	CA	\$407.00	\$432.00*	\$14.10	\$49.95	\$64.05

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
FRAIAD21FEB9	UA9030/UA0937	Y	\$575.00	\$653.15	\$653.15	\$575.00
FRAIAD21FEB9	UA8811/UA0919	Y		\$654.85	\$654.85	
FRAIAD21FEB9	UA8950/UA0903	X		\$501.95	\$501.95	
FRAIAD21FEB9	UA8950/UA0903	Y		\$644.95		
FRAIAD21FEB9	US5603/US6231			\$755.35		
FRAIAD21FEB9	US0893/US8125			\$502.85		
FRAIAD21FEB9	UA8922/UA0915	X		\$512.35		
FRAIAD21FEB9	UA8922/UA0915	Y		\$655.35		
FRAIAD21FEB9	UA8853/UA5959	N		\$540.20		



Figure 49: FRA-IAD STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	4	1	25.0%	1	25.0%	4	100.0%	2	50.0%
CA CP Fares Displayed	2	0	0.0%	0	0.0%	2	100.0%	1	50.0%
Total CP Fares Displayed for CC	6	1	16.7%	1	16.7%	6	100.0%	3	50.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	1	100.0%	1	100.0%	N/A	N/A	N/A	N/A
	1								
	16.7%								

Table 76: IAD-FRA 22FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
UA	\$550.00	\$575.00*	\$14.10	\$7.00	\$21.10	
	CA	\$407.00	\$432.00*	\$14.10	\$7.00	\$21.10

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
IADFRA22FEB9	AA0437/AA0070	X	\$346.00	\$374.10		\$346.00
IADFRA22FEB9	AA0437/AA0070	Y		\$691.10		
IADFRA22FEB9	DL7856			\$573.10		\$552.00

Figure 50: IAD-FRA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%
Total CP Fares Displayed for CC	2	1	50.0%	1	50.0%	2	100.0%	0	0.0%
CC Flights Displaying Correct CP Rate	N/A	0	0.0%	0	0.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	0								
	0.0%								

Table 77: LHR-IAD 21FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
UA	\$365.00	\$390.00*	\$14.10	\$74.75	\$88.85	
	CA	\$284.00	\$309.00*	\$14.10	\$74.75	\$88.85

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
LHRIAD21FEB9	CO8241					\$4,653.44
LHRIAD21FEB9	UA0923	X	\$309.00	\$397.55	\$397.55	\$309.00
LHRIAD21FEB9	UA0923	Y	\$390.00	\$478.55		\$390.00
LHRIAD21FEB9	UA4822/UA0951	Y	\$390.00	\$496.05	\$496.05	
LHRIAD21FEB9	UA0919	X			\$397.55	
LHRIAD21FEB9	UA4842/UA0947	Y		\$486.35	\$486.35	



LHRIAD21FEB9	UA4864/UA4855	N	\$2,692.45	\$2,692.45
LHRIAD21FEB9	UA0929/UA0366	X	\$404.55	\$404.55
LHRIAD21FEB9	UA0929/UA0366	Y	\$485.55	
LHRIAD21FEB9	AA0101/UA5409		\$497.96	
LHRIAD21FEB9	AA0109/UA0981		\$422.05	
LHRIAD21FEB9	AA0087/AA4050		\$464.55	
LHRIAD21FEB9	AA0087/AA4050		\$632.55	
LHRIAD21FEB9	UA8812/UA0933	X	\$411.75	
LHRIAD21FEB9	UA8812/UA0933	Y	\$492.75	

Figure 51: LHR-IAD STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	5	2	40.0%	1	20.0%	5	100.0%	2	40.0%
YCA CP Fares Displayed	4	1	25.0%	1	25.0%	3	75.0%	3	75.0%
Total CP Fares Displayed for CC	9	3	33.3%	2	22.2%	8	88.9%	5	55.6%
CC Flights Displaying Correct CP Rate	N/A	3	100.0%	2	100.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								
	11.1%								

Table 78: IAD-LHR 22FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA	\$365.00	\$390.00*	\$14.10	\$7.00	\$211.10

CA	\$284.00	\$309.00*	\$14.10	\$7.00	\$21.10
----	----------	-----------	---------	--------	---------

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
IADLHR22FEB9	UA0922	X	\$309.00	\$330.10	\$330.10	\$309.00
IADLHR22FEB9	UA0922	Y	\$390.00	\$411.10		\$390.00

Figure 52: IAD-LHR STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	1	100.0%
YCA CP Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%
Total CP Fares Displayed for CC	2	2	100.0%	2	100.0%	2	100.0%	1	50.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems	1								
% of Identical CP Flights Appearing in all 4 Systems	50.0%								

Table 79: FCO-PHL 21FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
US	\$834.00	\$859.00*	\$14.10	\$34.15	\$48.25
CA	\$624.00	\$649.00*	\$14.10	\$34.15	\$48.25



CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovT
		Carrier					
FCOPHL21FEB9	US0003	X		\$424.00	\$697.15	\$472.15	\$42
FCOPHL21FEB9	US0003	Y		\$859.00	\$907.15		\$85
FCOPHL21FEB9	UA2703			\$1,448.74			\$1,44
FCOPHL21FEB9	DL0071/DL1012				\$792.15		
FCOPHL21FEB9	DL0149/CO3421				\$845.65		
FCOPHL21FEB9	AA6295/AA6212/UA2850				\$751.35		

Figure 53: FCO-PHL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	1	100.0%
CA CP Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%
Total CP Fares Displayed for CC	2	2	100.0%	2	100.0%	2	100.0%	1	50.0%
CC Flights Displaying Correct CP Rate	N/A	1	50.0%	1	50.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems	1								
% of Identical CP Flights Appearing in all 4 Systems	50.0%								

Table 80: PHL-FCO 22FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other	
US	\$834.00	\$859.00*	\$14.10	\$7.00	\$21.10	
	CA	\$624.00	\$649.00*	\$14.10	\$7.00	\$21.10



CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
PHLFCO22FEB9	CO2155/DL8243			\$1,426.60		

Figure 54: PHL-FCO STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	0								
	0.0%								

Table 81: ICN-IAD 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$552.00	\$552.00	\$14.10	\$43.35	\$57.45
	CA				
	N/A				

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
ICNIAD21FEB9	DL7863/AA4044	N		\$864.45	\$871.45	

Figure 55: ICN-IAD STATISTICAL SUMMARY

Description	Carrier (CC)	Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CC Flights Displaying Correct CP Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	0								
	0.0%								

Table 82: IAD-ICN 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL			\$552.00	\$552.00	\$14.10	\$7.00	\$21.10
	CA						
	N/A						

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
IADICN22FEB9	UA0891/UA4661		\$1,419.00	\$1,447.10		\$1,419.00
IADICN22FEB9	UA5400/KE0082		\$2,024.00			\$2,024.00
IADICN22FEB9	AA4112/KE0038			\$804.60	\$2,054.60	
IADICN22FEB9	US6383/KE0038		\$2,024.00	\$804.60	\$2,054.60	\$2,024.00
IADICN22FEB9	US6579/US6215			\$605.10		\$577.00
IADICN22FEB9	UA0837/UA0893					\$577.00

Figure 56: IAD-ICN STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CC Flights Displaying Correct CP Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems	0								
% of Identical CP Flights Appearing in all 4 Systems	0.0%								

Table 83: FRA-PHL 21FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier	CPR	YCA	BASE	US tax	Other	Total Tax/Other
US		\$459.00	\$484.00*	\$14.10	\$49.75	\$63.85
	CA	\$398.00	\$423.00*	\$14.10	\$49.75	\$63.85

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
FRAPHL21FEB9	US0893	X	\$382.00	\$486.85		\$382.00
FRAPHL21FEB9	US0893	Y	\$484.00	\$547.85	\$445.85	\$484.00
FRAPHL21FEB9	UA0945/UA2238		\$423.00	\$299.85		\$229.00
FRAPHL21FEB9	US5603/US0351	Y		\$553.35		\$520.35
FRAPHL21FEB9	US0193/US0846	Y				\$553.35



FRAPHL21FEB9	US0193/US1282	Y		\$536.35	
FRAPHL21FEB9	UA8841/UA3859		\$492.35		
FRAPHL21FEB9	NW0051/NW1784		\$3,337.70		
FRAPHL21FEB9	UA0945/UA0884		\$341.85		
FRAPHL21FEB9	DL8357/DL8342		\$1,211.35		
FRAPHL21FEB9	CO0051/CO3476		\$1,753.35		
FRAPHL21FEB9	UA8800/UA2703		\$2,278.55		\$2,204.22
FRAPHL21FEB9	UA8922/UA2727		\$3,470.35		
FRAPHL21FEB9	DL0015/DL0930		\$483.85		
FRAPHL21FEB9	UA9161/UA2743				\$3,125.56

Figure 57: FRA-PHL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	4	1	25.0%	1	25.0%	2	50.0%	4	100.0%
CA CP Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%
Total CP Fares Displayed for CC	5	2	40.0%	2	40.0%	3	60.0%	4	80.0%
CC Flights Displaying Correct CP Rate	N/A	1	50.0%	1	50.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								
	20.0%								

Table 84: PHL-FRA 22FEB 05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
----------------------	-----	------	--------	-------	-----------------



US	\$459.00	\$484.00*	\$14.10	\$7.00	\$21.10
	CA				
	\$398.00	\$423.00*	\$14.10	\$7.00	\$21.10

CITYPAIR	TOTALFLIGHTS	Contract		FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS			
PHLFRA22FEB9	AA1787/AA0070		\$280.00			\$280.00
PHLFRA22FEB9	US1193/US0192	Y			\$2,585.60	\$574.00
PHLFRA22FEB9	UA2337/UA0944			\$257.10		

Figure 58: PHL-FRA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	1	0	0.0%	1	100.0%	0	0.0%	1	100.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	1	0	0.0%	1	100.0%	0	0.0%	1	100.0%
CC Flights Displaying Correct CP Rate	N/A	0	0.0%	0	0.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	0								
	0.0%								

Table 85: HNL-NRT 21FEB05 (* Includes USD \$16.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA	\$240.00	\$256.00*	\$14.10	\$5.50	\$19.60

CA	\$185.00	\$201.00*	\$14.10	\$5.50	\$19.60
----	----------	-----------	---------	--------	---------

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				
HNLNRT21FEB9	UA0879	X	\$201.00	\$220.60			\$201.00
HNLNRT21FEB9	UA0879	Y	\$256.00	\$275.60			
HNLNRT21FEB9	AA7237			\$822.60			
HNLNRT21FEB9	UA0867	Y		\$275.60			

Figure 59: HNL-NRT STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	2	1	50.0%	0	0.0%	2	100.0%	0	0.0%
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	0	0.0%
Total CP Fares Displayed for CC	3	2	66.7%	1	33.3%	3	100.0%	0	0.0%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	1	100.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	0								
	0.0%								

Table 86: NRT-HNL 22FEB05 (* Includes USD \$16.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA	\$240.00	\$256.00*	\$14.10	\$36.35	\$50.45
CA					



\$185.00 \$201.00* \$14.10 \$36.35 \$50.45

		Contract							
CITYPAIR	TOTALFLIGHTS	Carrier	DTS	FedTraveler	e2 Solutions	GovTrip			

No flights w/in policy

Figure 60: NRT-HNL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	0								
	0.0%								

Table 87: ORD-FRA 21FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA	\$336.00	\$361.00*	\$14.10	\$7.00	\$21.10
	CA				
	\$154.00	\$179.00*	\$14.10	\$7.00	\$21.10



CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier					
ORDFRA21FEB9	UA0454/UA8830	X		\$179.00	\$207.10	\$207.10	\$179.00
ORDFRA21FEB9	UA0454/UA8830	Y		\$361.00	\$389.10		\$361.00
ORDFRA21FEB9	AA2276/LH0423			\$1,981.00			\$1,981.00
ORDFRA21FEB9	UA0944	X					\$179.00
ORDFRA21FEB9	AA2321/AA0070				\$406.10		\$378.00
ORDFRA21FEB9	UA0678/UA8838	Y			\$387.60		
ORDFRA21FEB9	UA0610/UA0916	X			\$207.10	\$207.10	
ORDFRA21FEB9	UA0610/UA0916	Y			\$389.10		
ORDFRA21FEB9	AA2276/UA8836	N			\$2,032.60		
ORDFRA21FEB9	UA0532/UA8836	Y			\$387.60		
ORDFRA21FEB9	UA0638/UA8838	Y			\$387.60		

Figure 61: ORD-FRA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	5	1	20.0%	1	20.0%	5	100.0%	0	0.0%
CA CP Fares Displayed	3	1	0.0%	2	0.0%	2	0.0%	2	0.0%
Total CP Fares Displayed for CC	8	2	25.0%	3	37.5%	7	87.5%	2	25.0%
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	2	100.0%	3	100.0%	N/A	N/A	N/A	N/A
	1								
	12.5%								



Table 88: FRA-ORD 22FEB05 (* Includes USD \$20.00 Fuel Surcharge)

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA	\$336.00	\$361.00*	\$14.10	\$49.95	\$64.05
	CA				
	\$154.00	\$179.00*	\$14.10	\$49.95	\$64.05

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	E2 Solutions	GovTrip
		Carrier	% of				
FRAORD22FEB9	UA0945	X		\$179.00	\$242.85	\$242.85	\$179.00
FRAORD22FEB9	UA0945	Y		\$361.00	\$424.85		\$361.00
FRAORD22FEB9	AA6129/AA0055			\$179.00			\$179.00
FRAORD22FEB9	UA8922/UA0943	X			\$259.35	\$259.35	
FRAORD22FEB9	UA8922/UA0943	Y			\$441.35		
FRAORD22FEB9	UA8853/UA0537	X			\$248.35	\$248.35	
FRAORD22FEB9	UA8853/UA0537	Y			\$430.35		
FRAORD22FEB9	UA8825	Y			\$424.85		
FRAORD22FEB9	AA6311/AA6200				\$257.15		
FRAORD22FEB9	AA6577/AA0087				\$258.85		
FRAORD22FEB9	NW0051/NW1453				\$440.65		
FRAORD22FEB9	UA8811/UA0949	X			\$258.85	\$258.85	
FRAORD22FEB9	UA8811/UA0949	Y			\$440.85		
FRAORD22FEB9	UA0941	N			\$257.70		

Figure 62: FRA-ORD STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	5	1	20.0%	1	20.0%	5	100.0%	0	0.0%
CA CP Fares Displayed	4	1	0.0%	1	0.0%	4	0.0%	4	0.0%
Total CP Fares Displayed for CC	9	2	22.2%	2	22.2%	9	100.0%	4	44.4%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4	1								

Systems					
% of Identical CP Flights Appearing in all 4 Systems	11.1%				

Table 89: ATL-FRA 21FEB05

Contract Carrier CPP	YCA	BASE	US tax	Other	Total Tax/Other
DL	\$325.00	325	\$14.10	\$7.00	\$21.10
	CA				

CITYPAIR	TOTALFLIGHTS	Carrier	DTS	FedTraveler	E2 Solutions	GovTrip
ATLFRA21FEB9	AA0491/AA0070		\$543.10	\$543.10	\$350.00	
ATLFRA21FEB9	US1108/US0894					\$350.00

Figure 63: ATL-FRA STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CC Flights Displaying Correct CP Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems	0								

% of Identical CP Flights Appearing in all 4 Systems	0.0%				
--	------	--	--	--	--

Table 90: FRA-ATL 22FEB05

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	DL		\$325.00	\$325.00	\$14.10	\$49.75	\$63.85
			CA				
			N/A				

CITYPAIR	TOTALFLIGHTS	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				
FRAATL22FEB9	DL0015	Y		\$325.00	\$388.85	\$388.85	\$325.00
FRAATL22FEB9	UA0945/UA0468			\$252.00	\$322.85		\$252.00
FRAATL22FEB9	DL8389/DL0029	N			\$1,185.35	\$554.35	\$474.00
FRAATL22FEB9	DL8357/DL0051	N			\$1,185.35	\$554.35	
FRAATL22FEB9	DL0049/DL1861	Y			\$395.85	\$395.85	
FRAATL22FEB9	DL0049/DL0173	Y				\$395.85	
FRAATL22FEB9	NW8332/NW8621				\$1,004.28		
FRAATL22FEB9	AA0071/AA1390				\$327.85		
FRAATL22FEB9	US0893/DL0439	N			\$552.85		
FRAATL22FEB9	US0893/US0369				\$420.85		
FRAATL22FEB9	CO0051/CO1151				\$366.35		
FRAATL22FEB9	NW0051/NW1555			\$325.00	\$429.65		\$325.00

Figure 64: FRA-ATL STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	3	1	33.3%	1	33.3%	2	66.7%	3	100.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares Displayed for CC	3	1	33.3%	1	33.3%	2	66.7%	3	100.0%



CC Flights Displaying Correct CP Rate	N/A	1	100.0%	1	100.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	1								
	33.3%								

Table 91 ORD-LHR 21FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
AA			\$345.00	\$370.00*	\$14.10	\$7.00	\$21.10
			CA				
			\$177.00	\$202.00*	\$14.10	\$7.00	\$21.10

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
ORDLHR21FEB9	AA0090	X	\$202.00	\$223.10	\$223.10	\$202.00
ORDLHR21FEB9	AA0090	Y	\$370.00	\$391.10		\$370.00
ORDLHR21FEB9	UA0922					\$202.00

Figure 65 ORD-LHR STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	1	1	100.0%	1	100.0%	1	100.0%	1	100.0%
CA CP Fares Displayed	1	1	0.0%	1	0.0%	1	0.0%	0	0.0%
Total CP Fares Displayed for CC	2	2	100.0%	2	100.0%	2	100.0%	1	50.0%
CC Flights Displaying	N/A	2	100.0%	2	100.0%	N/A	N/A	N/A	N/A

Correct CP Rate					
Identical CP Flights					
Appearing in all 4 Systems	1				
% of Identical CP Flights					
Appearing in all 4 Systems	50.0%				

Table 92: LHR-ORG 22FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
	AA		\$345.00	\$370.00*	\$14.10	\$74.75	\$88.85
			CA				
			\$177.00	\$202.00*	\$14.10	\$74.75	\$88.85

CITYPAIR	TOTALFLIGHTS	Contract				
		Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
LHRORD22FEB9	AA0087	X	\$202.00	\$290.55	\$290.55	\$202.00
LHRORD22FEB9	AA0087	Y	\$370.00	\$458.55		\$370.00
LHRORD22FEB9	UA0929		\$202.00	\$290.55	\$290.55	\$202.00
LHRORD22FEB9	UA4864/UA4821			\$3,188.45		
LHRORD22FEB9	UA8810/UA0941			\$304.75		
LHRORD22FEB9	UA9384/UA9391			\$1,647.75		
LHRORD22FEB9	AA6239/AA6200	X		\$316.25		
LHRORD22FEB9	AA6239/AA6200	Y		\$492.25		
LHRORD22FEB9	AA6554/AA0041	X		\$310.75		
LHRORD22FEB9	AA6554/AA0041	Y		\$478.75		
LHRORD22FEB9	AA0057/AA2359	Y		\$500.55		

Figure 66: LHR-ORD STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares	4	1	25.0%	1	25.0%	4	100.0%	0	0.0%
Displayed CA CP Fares	3	1	0.0%	1	0.0%	3	0.0%	1	0.0%

Displayed Total CP Fares Displayed for CC	7	2	28.6%	2	28.6%	7	100.0%	1	14.3%
CC Flights Displaying Correct CP Rate	N/A	2	100.0%	2	100.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	2								
	28.6%								

Table 93: IAD-MUC 21FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA		\$569.00	\$594.00*	\$14.10	\$7.00	\$21.10
		CA				
		\$495.00	\$520.00*	\$14.10	\$7.00	\$21.10

Contract		CITYPAIR	TOTALFLIGHTS	Carrier	DTS	FedTraveler	e2 Solutions	GovTrip
----------	--	----------	--------------	---------	-----	-------------	--------------	---------

No flights w/in policy

Figure 67: IAD-MUC STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC
YCA City-Pair (CP) Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
CA CP Fares Displayed	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total CP Fares	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%



Displayed for CC									
CC Flights Displaying Correct CP Rate Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	0								
	0.0%								

Table 94: MUC-IAD 22FEB05 (* Includes USD \$25.00 Fuel Surcharge)

Contract	Carrier	CPP	YCA	BASE	US tax	Other	Total Tax/Other
UA			\$569.00	\$594.00*	\$14.10	\$41.55	\$55.65
			CA				
			\$495.00	\$520.00*	\$14.10	\$41.55	\$55.65

CITYPAIR	Routing	Contract		DTS	FedTraveler	e2 Solutions	GovTrip
		Carrier	DTS				
MUCIAD22FEB9	UA8885/UA0919	X	\$409.00			\$482.35	\$409.00
MUCIAD22FEB9	UA8885/UA0919	Y	\$594.00				\$594.00
MUCIAD22FEB9	DL8197/DL8232		\$409.00	\$662.05			\$409.00
MUCIAD22FEB9	UA8776/UA0937	X	\$409.00	\$592.25		\$481.25	\$409.00
MUCIAD22FEB9	UA8776/UA0937	Y		\$666.25			
MUCIAD22FEB9	UA0903	X	\$409.00	\$575.55		\$464.55	\$409.00
MUCIAD22FEB9	UA0903	Y		\$649.55			
MUCIAD22FEB9	UA8947/UA0917	X		\$602.85		\$491.85	
MUCIAD22FEB9	UA8947/UA0917	Y		\$676.85			
MUCIAD22FEB9	DL0131/DL5151			\$742.55			
MUCIAD22FEB9	UA9102/UA0951	Y		\$665.15			
MUCIAD22FEB9	UA8973/UA8827	Y		\$676.85			
MUCIAD22FEB9	UA8855/UA0366	Y		\$656.55			

Figure 68: MUC-IAD STATISTICAL SUMMARY

Description	Contract Carrier (CC)	DTS		GovTrip		FedTraveler		E2 Solutions	
		Flights	% of CC	Flights	% of CC	Flights	% of CC	Flights	% of CC



YCA City- Pair (CP) Fares Displayed	7	1	14.3%	1	14.3%	6	85.7%	0	0.0%
CA CP Fares Displayed	4	3	0.0%	3	0.0%	3	0.0%	4	0.0%
Total CP Fares Displayed for CC	11	4	36.4%	4	36.4%	9	81.8%	4	36.4%
CC Flights Displaying Correct CP Rate	N/A	1	25.0%	1	25.0%	N/A	N/A	N/A	N/A
Identical CP Flights Appearing in all 4 Systems % of Identical CP Flights Appearing in all 4 Systems	2								18.2%

7.0 Summary

While Section 5 of this report cites three brief examples to illustrate audit findings, these may be regarded as illustrative of the overall findings as described in the detailed data. The data show that while the booking systems portray a high number of contract fares accurately and consistently, there are anomalies and deficiencies in both contract displays and competitive market displays. None of the systems appears to fully address the eTS design criteria, which call for inclusion of potentially lower-cost services beyond typical GDS displays.

Indeed, in the illustrations discussed here, only FedTraveler succeeded in portraying the lowest cost service (a non-GDS offering on Southwest) in the Monterey-Los Angeles scenario. This is interesting as E2 Solutions uses Sabre technology as its basic platform, and Southwest services are theoretically available through Sabre.

It is not possible to describe which GDS is used in all cases throughout the audits, as this varies and the information is not available from the user interfaces provided for the audit.

Because the logic incorporated into the systems may not necessarily display the lowest fares in every instance, a potential for missed cost reduction opportunities remains.

As discussed in Case Study 1 (page 20), significant display anomalies were noted that have yet to be fully explained and cannot be attributed to system parameter settings, based upon information thus far provided. Because the logic incorporated into the systems does not necessarily display the lowest fares or comprehensive schedule and fare information in every instance, the potential for missed cost reduction opportunities remains.

We find many of the design criteria incorporated in the tools challenging and believe these may impact customer perceptions. As one example, DTS and GovTrip portray only one-way fares, focusing upon City Pair Program contract rates but possibly not considering the wider range or market prices available.

While one point of view is that the wide variations in display logic and fare inclusion between the systems is positive, in that it extends more platform choice to federal agencies, we take the considered view that this course will hinder traveler adoption of the products, create confusion among federal agency customers, and dampen traveler confidence in eTS, as the traveler attempts to make comparisons between eTS-based quotes and publicly available sources.

Taken together, the picture we are left with is one of several systems with widely divergent operational characteristics that, based upon our observations of their performance, require further refinement in order to fully address the eTS mission. We believe that considerably more objective external input, specifically into

elements of user information management, decision support, and interface, would materially enhance the performance and capabilities of the products.

We further suggest that further audit activity is appropriate to clarify the reasons for observed anomalies and verify that vendor implementations of program and product designs conform with Government standards.

8.0 Recommendations

What follows are specific recommendations, both for subsequent audit performance and respecting eTS and its operation in general. These are based both upon our direct observations and analysis of the audit data and our considerable industry experience.

Scope of the Audit

Our current audit conditions produced several areas of imprecision. For example, FedTraveler was not available in a production mode, and we cannot speculate as to whether the operational anomalies observed are attributable to the testing environment we were using or to some other cause. We also lacked sufficient data to completely audit FedTraveler and E2 Solutions reservations, as detailed fare identification information was not available. We recommend working with the affected vendors to stage a further audit that addresses these deficiencies.

Further, the current audit describes only a "moment in time" picture of a few routes and services. Assessing a wider and ongoing audit sample would allow a more accurate assessment of cost reduction opportunities either captured through eTS or lost as a result of system performance anomalies.

Benchmarking

As discussed in this report, we believe establishing a statistically valid performance benchmark for federal travel programs will allow a clear and unambiguous assessment of the success of eTS as a whole, and the relative success of the eTS vendors severally, in delivering, sustaining, and enhancing cost reduction opportunities for the Government. We strongly encourage the Government to move forward with this project.

Platform Refinement

We strongly advocate developing greater consistency between the eTS service platforms, both as to service displays and also respecting other operational characteristics. This should be achieved by further refining eTS design and operational criteria, together with further evaluation of vendor products to ensure compliance and consistency. Care must be taken to ensure that the eTS vendor services more actively take the rapid and dynamic developments in the corporate market into account (as has always been an eTS goal).

This activity is critical, as traveler adoption of the products will center in their ability to adequately anticipate user requirements and portray their capabilities in an engaging, attractive, and useful manner. Based upon our observations, this process should be accelerated considerably from present levels.

Subsequent Audit Phases

Our proposal for audit services to the GSA includes a number of activities comprising subsequent phases. We believe this initial audit clearly demonstrates the need for comprehensive, robust, and ongoing audits. Vendor performance, as shown by the audit, varies considerably both as to inclusion of appropriate services and rates and the appropriate portrayal of those rates. Many of the anomalies observed are difficult to rationalize and will severely affect the success and sustainability of the eTS program if left uncorrected.

No system uniformly offered either the best or most appropriate fares in all settings, which makes an ongoing audit and creation of relevant performance benchmarks imperative.

We are convinced that moving forward with the audit process, together with the additional recommendations made in this report, are the practical means to identify and correct current and ongoing operational and design deficiencies.

9.0 Appendix

Appendix I: Data output for specific city pairs audited

Appendix II: All screen captures for all audited systems

Appendix III: Database tables used to generate data output

The appendix material has been provided to the Government under separate cover on CD-ROM.

THE CORPORATE SOLUTIONS GROUP		Afare Audit inc.
<p><i>The Corporate Solutions Group</i>[®] 11 Politzer Drive, Menlo Park, California 94025 Telephone: 650-324-4008 www.thecsg.com</p>		
<p>eTravel / DTS Fare Audit Task "B" Report and Findings April 18, 2005 Revision 1</p>		
<p><i>Point of Contact:</i> Robert Lichtman (650) 324-4008 e-mail: rlichtman@thecsg.com</p>		
<p>Submitted To: Larry Tucker</p>		
<p>Contract: GS-33F-0008N</p>		
<p>This report contains statements, conclusions, and data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed – in whole or in part – for any purpose other than the internal planning, strategy, and evaluation needs of the Government. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets marked: "Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this document."</p>		

Permanent Subcommittee on Investigations
EXHIBIT #4

1.0 Table of Contents

2.0	Abstract	3
3.0	Methodology	4
4.0	Executive Summary	5
5.0	Key Findings	8
6.0	Detail by GDS	11
6.1	Amadeus	11
6.2	Galileo	22
6.3	Sabre	30
6.4	Worldspan	40
7.0	Rules Audit Exceptions	49
8.0	Implications for the City Pair Program	60
9.0	Summary and Recommendations	61

2.0 Abstract

The Corporate Solutions Group® (The CSG) was awarded a task order by the GSA eTravel Program Office for a Fare Audit of the three operational platforms used by the eTravel System (eTS) and the Defense Travel System (DTS).

The purpose of the task order awarded is to support successful deployment and use of the eTS and DTS by establishing the planning, auditing, and reporting required to determine vendor performance in providing the best available fares, in compliance with government policies.

This task order was placed under the GSA Travel Services Solutions (TSS) schedule. The project is divided into three individual steps and relevant deliverables. This report outlines the deliverable under "Step B" of the task order.

The scope of Step B requires The CSG to:

- 1) Confirm that the City Pair base fares (e.g., YCA, _CA, etc) offered through the four distinct reservation platforms referenced above and which comprise part of the Government's City Pair Program (CPP) are correctly listed within the four predominant GDS (Amadeus, Galileo, Sabre, Worldspan).
- 2) Recommend necessary corrections, if errors are identified.

Task B was accomplished by a detailed audit of individual GDS fare and rules data records, as evaluated by CPP contracted fare data as provided by the Government. Variances in how CPP-based fares are applied in specific booking scenarios were also assessed.

This was a point-in-time audit where the most current CPP fares database made available to us at the time was used to check against the four GDS.

The report summarizes data on an exception basis for the CPP as a whole as observed. The nature of specific exceptions are characterized by type. Further sections describe findings organized by GDS, rules exceptions, and the report concludes with specific recommendations.

3.0 Methodology

The Audit period began with the downloading of the CPP database on February 10, 2005. Fare Audit then created a new database by adding fields to the original along with a data entry program to facilitate the tracking of the audit results. The GDS audit began on February 14, 2005 and continued for four (4) weeks, ending on March 14, 2005.

The Audit was performed as follows:

17,384 individual audit checks performed on the four (4) GDS (Sabre, Galileo [Apollo], Worldspan, and Amadeus)

4,346 CPP audits for each GDS

Each individual audit consisted of entering a command in the reservation systems for a fare quote for the corresponding from the CPP database. The date used for the fare quote was set for several weeks in the future and was irrelevant since the CPP fares are supposed to be static until they expire in September 2005. A sample GDS query in Sabre was as follows: FQABQDCA15MARGOV-DL (fare quote for Albuquerque to Washington-Reagan for March 15, 2005 specific to government fares for the contract carrier Delta Air Lines.) This example is only for illustrative purposes as the individual GDS query commands differ from system to system. The responses to the GDS queries were reviewed by the auditors based upon the following criteria:

1. Did the YCA, _CA and Business fares match those that were listed in the CPP database?
 - a. Yes = Checked-off in the database as reviewed and correct/compliant.
 - b. No = Description of error was entered into the database by the auditor and a screen shot was taken.
2. Do the rules reflect any restrictions beyond capacity controls?
 - a. Yes = Restrictions were noted and if routing errors were presented, routing numbers were entered
 - b. No = Checked-off in the databases as reviewed and correct/compliant.

Upon the completion of the 17,384 individual reviews, all errors were verified by a lead auditor for accuracy. Queries were run against the completed database to generate the tables used in the report.

4.0 Executive Summary

The CSG observes that, when the size and operational complexity of the CPP are considered, the audit revealed general presentation of data consistent with the terms and provisions of the CPP. There were a number of variances observed, however, which generally fall into three categories:

- 1) Data Improperly Loaded or Maintained in the GDS
- 2) Differing Interpretations as To Relevant Operational Conditions and Restrictions between Contract Carriers and the GSA
- 3) Non-Compliance With the Terms and Conditions of the CPP

Specific data variances (item 1 above) are further characterized by type in Section 4 of this document. These are illustrated with examples from the audit data and specific corrective measures are discussed for the relevant types.

We note that, while the existence of variances is clear, these characterizations are partially conjectures, as The CSG has been unable to contract source documents from the GSA. We have relied, therefore, upon abstracts and assessments of these contracts provided by the GSA.

From an audit perspective, however, this approach and limitation does not allow us to express an unqualified opinion as to the degree of operational compliance represented in the observed carrier pricing scenarios. Note that the scope of this audit is limited to operational performance and it is not our intent to perform a comprehensive financial audit of the contracts or of CPP pricing.

Access to source document data becomes relevant where differences as to applicable terms, conditions, and specifications exist between the parties to the contracts, as is true in this situation.

We are hopeful that further discussions with the Government will allow additional data to be disclosed prior to delivery of our final report and that this will allow us to refine and enhance our operations-based opinion of CPP fares as portrayed by the GDS, and to offer specific recommendations to cure deficiencies.

ITEM	ORIG	DEST	CC	YCA	XCA	BUS	SABRE ERROR	APOLLO ERROR	AMADEUS ERROR	WORLDSPAN ERROR
25	ABO	IAH	WN	160.00	138.00	0.00	EXPIRES 02 APR	EXPIRES 02 APR	EXPIRES 02 APR	EXPIRES 02 APR
39	ABO	PNS	DL	518.00	381.00	0.00	YCA 449.00	YCA 449.00	YCA 421.50	YCA 449.00
52	ABY	DCA	DL	466.00	426.00	0.00	YCA 419.00 - QCA 419.00	YCA 419.00 - QCA 419.00	YCA 421.50 - QCA 421.50	YCA 419.00 - QCA 419.00
55	ABY	IAD	DL	438.00	398.00	0.00	YCA 419.00 - QCA 419.00	YCA 419.00 - QCA 419.00	YCA 421.50	YCA 419.00 - QCA 419.00
102	ALB	SJU	US	400.00	350.00	0.00			YCA 416.00 - HCA 366.00	

Figure 1: GDS Fare Representation Example

Referring to Figure 1, several error conditions are noted by way of example. Item 25 shows a valid fare not portrayed in any of the GDS. Items 39, 52, and 55 shows an incorrect fare level in favor of the Government (note that the error is not consistent across all four GDS), in that the fares portrayed are less than the contract amount. Item 102 illustrates an error in the carrier's favor but limited to a single GDS.

ITEM	ORIG	DEST	CC	YCA	XCA	BUS	SABRE ERROR	APOLLO ERROR	AMADEUS ERROR	WORLDSPAN ERROR
2,068	MDW	MSP	IZ	70.00	0.00	349.00	NO BUS FARE	NO BUS FARE	NO BUS FARE	NO BUS FARE
2,119	MIA	SJU	AA	329.00	292.00	493.00	NO BUS FARE	NO BUS FARE	YCA 345.00 - YCA 308.00 - NO BUS FARE	NO BUS FARE
2,121	MIA	SJT	AA	368.00	327.00	552.00	NO BUS FARE	NO BUS FARE	YCA 384.00 - NO BUS FARE	NO BUS FARE
2,123	MIA	TLH	DL	185.00	165.00	0.00	YCA 175.00	YCA 175.00	YCA 177.50	YCA 175.00

Figure 2: Further GDS Fare Representation Example

Referring to Figure 2, we observe similar conditions and in addition several situations where valid fares fail to appear in several (but not always every) GDS.

In other settings we also observe situations where carriers appear to have disqualified routings based upon code-share arrangements (contrary to CPP contract terms as described to us by the Government).

This exception pattern is widely repeated across all the audited data (the examples shown are only representations). This evidences situations where both Government financial interests and the integrity of the CPP are not adequately projected by current portrayals of CPP data by the GDS. These situations may be corrected by a combination of:

- 1) Repeated and continual auditing for compliance and data errors.
- 2) Auditing for accurate portrayal of fare terms and conditions by the carriers, as defined by CPP contracts.
- 3) More aggressive contract compliance monitoring, based upon the application of audit results.

It is important to recognize the difference between the correction of processes as opposed to individual incidents. The integrity and effectiveness of the CPP is enhanced to the degree process correction can be undertaken and maintained over time.

We suggest the following specific process steps:

- 1) Conduct a detailed analysis of each identified variance, grouping errors by type and by vendor.
- 2) Examine documents on a test basis to ascertain the cause of the error and establish when it entered the database.
- 3) Plan and execute specific remedies based upon each error-type and the correction required.
- 4) Where vendors are responsible for typographical errors, a plan must be adopted to require and enforce consistent data and presentation quality.
- 5) The Government should adopt and enforce a CPP data quality initiative as concerns GDS and airline vendors that is verified by audit.
- 6) GDS data presentations should be audited again to assess the success of these corrective measures. Based upon the results of this audit, corrective measures may be modified and re-implemented.
- 7) A systematic, routine audit should be initiated to enforce database quality on the part of CPP vendors and protect the integrity of the program. The results of such audits should be used as input to vendor program management discussions, negotiations, and operations planning for the CPP.

5.0 Key Findings

The audit shows that a majority of the fares and rules loaded into the four GDS (considered collectively) are correct. 4,346 CPP markets were audited in total and of those, 348 routing errors were identified, and 324 pricing errors were identified. This represents an error rate of 8% and 7.46% respectively. A number of instances were identified wherein errors exist. These errors may be characterized as follows:

a) Incorrect Validity Dates

Referring to Figure 3 (below), we see that item 25 portrays an incorrect expiration date. As the error is replicated in each of the GDS, the assumption is that the error is caused by flaws in a data source upon which the GDS are dependant.

The resolution for this error type is an evaluation of source documents and subsequent transmittal stages prior to the time GDS data updates are committed.

Figure 3: Summary GDS Error Illustration

ITEM	ORIG	DEST	CC	YCA	NCA	BUS	SABRE ERROR	APOLLO ERROR	AMADEUS ERROR	WORLDSPAN ERROR
25	ABQ	IAH	WN	160.00	138.00	0.00	EXPIRES 02 APR	EXPIRES 02 APR	EXPIRES 02 APR	EXPIRES 02 APR
39	ABQ	FNS	DL	518.00	381.00	0.00	YCA 449.00	YCA 449.00	YCA 451.50	YCA 449.00
52	ABY	DCA	DL	466.00	426.00	0.00	YCA 419.00 - QCA 419.00	YCA 419.00 - QCA 419.00	YCA 421.50 - QCA 421.50	YCA 419.00 - QCA 419.00
55	ABY	IAD	DL	438.00	398.00	0.00	YCA 419.00 - QCA 419.00	YCA 419.00 - QCA 419.00	YCA 421.50	YCA 419.00 - QCA 419.00
102	ALB	SJU	US	400.00	350.00	0.00			YCA 416.00 - HCA 366.00	

b) Incorrect Fare Amounts

Referring again to Figure 3 (above), we see that items 39, 52, and 55 portray pricing errors common to multiple GDS. The assumption again is that the commonality of identical errors illustrates a deficiency in data upon which the GDS depend or in the transmittal process.

The Amadeus errors differ in each case as to amount, however the amount of the variance is identical in each case, indicating that, while the same underlying data errors are evidenced, there is also a variance in the manner Amadeus calculates and applies ancillary fees and charges. This pattern is repeated throughout the sample.

The resolution for this error type is an evaluation of source documents and subsequent transmittal stages prior to the time GDS data updates are committed. Further, an analysis of source documents should be undertaken in connection with Amadeus specifically, so that a common understanding as to appropriate charges and computation logic can be produced.

We note that error conditions exist affecting Amadeus only, as with item 102. This indicates that, while transmission irregularities prior to GDS database commits may exist (in all cases), there are also transmission or more likely load difficulties specific to this vendor that must be resolved through direct dialogue.

c) Omitted Fare Items

Referring to Figure 4 (below), we see that valid contract fares are omitted from each of the GDS. As shown in item 675, the valid business fare does not appear in any GDS, indicating a data or transmission error prior to GDS database update commits. Moreover, unique error conditions exist for Amadeus, which vary from patterns previously referenced (also illustrated by item 847). This indicates unique load process or logic errors that must be resolved through dialogue with that vendor.

The transmission or source data errors are resolvable in the same manner referenced for other error conditions.

Figure 4: Summary GDS Error Illustration

ITEM	ORIG	DEST	CC	YCA	XCA	BUS	SABRE ERROR	APOLLO ERROR	AMADEUS ERROR	WORLDSPAN ERROR
602	BWI	IAH	DL	300.00	250.00	0.00	YCA 269.00	YCA 269.00	YCA 271.50	YCA 269.00
675	BWI	SJU	AA	292.00	250.00	438.00	NO BUS FARE	NO BUS FARE	YCA 308.60 - YCA 275.60 - NO BUS FARE	NO BUS FARE
696	BZN	SLC	DL	405.00	355.00	0.00	YCA 389.00	YCA 389.00	YCA 391.50	YCA 389.00
723	CAE	SJU	DL	479.00	0.00	613.00			YCA 495.60	
759	CHS	TUS	DL	505.00	345.00	0.00	YCA 499.00	YCA 499.00	YCA 501.50	YCA 499.00
847	CLT	SJU	US	546.00	450.00	0.00			YCA 562.60 - HCA 466.60	

d) Typographical Errors

Referring to Figure 5 (below), we see that item 1,033 portrays an omitted fare condition wherein a valid XCA fare is not portrayed in any of the GDS. The XCA fare is incorrectly shown as the YCA fare, indicating a likely typographical error in source documentation.

This error type may be resolved by a review of database source documentation, cross-checked by contract and award documentation.

Figure 5: Summary GDS Error Illustration

ITEM	ORIG	DEST	CC	YCA	XCA	BUS	SABRE ERROR	APOLLO ERROR	AMADEUS ERROR	WORLDSPAN ERROR
982	CVG	PDX	DL	502.00	382.00	0.00	YCA 488.00	YCA 488.00	YCA 490.50	YCA 488.00
999	CVG	TPA	DL	396.00	266.00	0.00	YCA 359.00	YCA 359.00	YCA 361.50	YCA 359.00
1,033	DAY	VPS	NW	351.00	323.00	0.00	YCA 323.00 - NO XCA FARE	YCA 323.00 - NO XCA FARE	YCA 325.50 - NO XCA FARE	YCA 323.00 - NO XCA FARE
1,037	DCA	DELH	AA	244.00	184.00	0.00	NO AA FARE	NO AA FARE	NO AA FARE	NO AA FARE

e) Contract Management

In some settings airlines incorrectly apply terms and conditions of the City Pair Program to exclude valid services, such as where code shares exist. These are represented in the sample data through some instances where no specific carrier fares are said to exist.

This condition can be corrected by requiring more specific conformity by contract carriers to the terms and conditions of their awards and of the City Pair Program generally. Verification of ongoing compliance may be achieved only through routine performance audits.

f) Routing Restrictions

The airlines incorrectly apply routing restrictions to a significant number of CPP markets. Although The CSG could not view actual CPP contract awards to verify that routing restrictions imposed are indeed non-compliant, The CSG reviewed the CPP Solicitation documents and had discussions with individuals who are responsible for the CPP program who assured The CSG that routing restrictions are non-compliant.

This condition can be corrected by requiring more specific conformity by contract carriers to the terms and conditions of their awards and of the City Pair Program generally. Verification of ongoing compliance may be achieved only through routine performance audits.

6.0 Detail by GDS

The following tables portray audit-derived data errors by GDS and provide added examples of the error-types and conditions described in the prior section.

6.1 Amadeus

Table 1: Amadeus Error Detail

<i>Item</i>	<i>Origin</i>	<i>Destination</i>	<i>Airline</i>	<i>YCA Fare</i>	<i>XCA Fare</i>	<i>Business Fare</i>	<i>Amadeus Error</i>
25	ABQ	IAH	WN	160	128	0	EXPIRES 02 APR
39	ABQ	PNS	DL	518	381	0	YCA 451.50
52	ABY	DCA	DL	466	426	0	YCA 421.50 - QCA 421.50
55	ABY	IAD	DL	438	398	0	YCA 421.50
102	ALB	SJU	US	400	350	0	YCA 416.60 - HCA 366.60
109	ANC	ATL	DL	525	425	0	YCA 534.50 - QCA 434.50
111	ANC	BWI	NW	573	383	0	YCA 582.55 - MCA 392.53
113	ANC	DCA	AS	499	379	0	YCA 508.50 - LCA 388.50
120	ANC	IAD	NW	621	348	0	YCA 630.50 - MCA 357.50
122	ANC	MSP	AS	685	419	0	YCA 694.50 - LCA 428.50
124	ANC	ORD	AS	469	339	0	YCA 478.50 - QCA 348.50
128	ANC	SEA	AS	539	0	0	YCA 548.55
129	ANC	SLC	DL	598	498	0	YCA 607.50 - HCA 507.50
155	ATL	CVG	DL	384	319	0	YCA 361.50
178	ATL	HNL	DL	507	407	0	YCA 516.50 - KCA 416.50
248	ATL	SJU	DL	475	0	561	YCA 491.60 - BUS 577.60
254	ATL	STT	DL	479	0	643	YCA 495.60
331	BDL	SJU	AA	300	266	450	YCA 316.60 - VCA 282.60 - NO BUS FARE
374	BIL	SLC	DL	405	355	0	YCA 391.50

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
441	BOI	PHX	HP	140	110	0	NO XCA FARE
466	BOS	HNL	DL	364	273	0	YCA 373.53 - KCA 282.53
473	BOS	ISP	AA	196	133	0	NO AA FARE
496	BOS	RIC	AA	169	129	0	EXPIRES 30 APR
503	BOS	SJU	AA	376	334	564	YCA 391.60 - VCA 350.60 - NO BUS FARE
537	BTV	SLC	DL	900	400	0	YCA 501.50
582	BWI	FAI	NW	672	460	0	YCA 681.50 - MCA 469.50
598	BWI	HNL	UA	640	0	0	YCA 649.50
602	BWI	IAH	DL	300	250	0	YCA 271.50
675	BWI	SJU	AA	292	259	438	YCA 308.60 - VCA 275.60 - NO BUS FARE
696	BZN	SLC	DL	405	355	0	YCA 391.50
723	CAE	SJU	DL	479	0	613	YCA 495.60
759	CHS	TUS	DL	505	345	0	YCA 501.50
847	CLT	SJU	US	546	450	0	YCA 562.60 - HCA 466.60
876	CMI	MHT	NW	529	353	0	YCA 355.50 - NO XCA FARE
879	COS	CVG	DL	500	350	0	YCA 481.50
916	COS	VPS	DL	491	350	0	YCA 451.50
954	CVG	DSM	DL	450	350	0	YCA 381.50
957	CVG	FAT	DL	570	470	0	YCA 501.50
968	CVG	LGA	DL	447	347	0	YCA 441.50
970	CVG	MCI	DL	410	330	0	YCA 381.50
971	CVG	MCO	DL	400	284	0	YCA 361.50
977	CVG	MSY	DL	420	320	0	YCA 411.50
982	CVG	PDX	DL	502	382	0	YCA 490.50
999	CVG	TPA	DL	396	266	0	YCA 361.50
1033	DAY	VPS	NW	351	323	0	YCA 325.50 - NO XCA FARE
1037	DCA	DLH	AA	244	184	0	NO AA FARE
1046	DCA	FAI	AS	549	449	0	YCA 558.50 - LCA 458.50
1049	DCA	FAY	US	330	304	0	MCA 301.50

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
1067	DCA	HNL	AA	479	249	0	YCA 488.50 - VCA 258.50
1076	DCA	IND	US	343	293	0	YCA 341.50
1099	DCA	MDW	TZ	89	0	349	NO BUS FARE
1116	DCA	MYR	US	343	279	0	HCA 201.50
1138	DCA	RNO	HP	215	161	0	LCA 173.50
1153	DCA	SJU	US	175	150	0	YCA 191.60 - HCA 166.60
1190	DEN	HNL	UA	586	0	0	YCA 595.50
1222	DEN	PHX	HP	130	99	0	YCA 137.50 - XCA 106.50
1250	DFW	HNL	AA	506	321	0	YCA 515.50 - VCA 330.50
1272	DFW	MDW	TZ	199	149	349	NO BUS FARE
1309	DFW	SJU	AA	497	444	745	YCA 513.60 - XCA 460.60 - NO BUS FARE
1326	DSM	MDW	TZ	79	66	349	NO TZ FARE
1336	DTW	HNL	UA	511	0	0	YCA 520.50
1389	ELP	MCI	UA	211	0	0	NO UA YCA - AA YCA 299.00
1427	EWR	HNL	DL	360	240	0	YCA 369.50 - KCA 249.50
1464	EWR	SJU	AA	374	333	561	YCA 390.60 - VCA 349.60 - NO BUS FARE
1468	EWR	STT	AA	384	338	576	YCA 400.60 - VCA 354.60 - NO BUS FARE
1481	EYW	TPA	US	199	0	0	NO US FARE
1485	FAI	MSP	NW	749	499	0	YCA 758.50 - MCA 508.50
1488	FAI	SEA	AS	589	0	0	YCA 598.55
1491	FAT	IAD	HP	270	225	0	NO YCA FARE
1500	FAT	SLC	DL	394	319	0	YCA 371.50
1501	FAY	IAD	US	332	301	0	MCA 301.50
1514	FCA	SLC	DL	418	367	0	YCA 391.50
1527	FLL	SJU	AA	329	292	493	YCA 345.60 - VCA 308.60 - NO BUS FARE
1531	FSD	ORD	AA	244	184	0	NO AA FARE

<i>Item</i>	<i>Origin</i>	<i>Destination</i>	<i>Airline</i>	<i>YCA Fare</i>	<i>XCA Fare</i>	<i>Business Fare</i>	<i>Amadeus Error</i>
1538	GEG	IAH	DL	400	205	0	YCA 391.50
1552	GNV	SDF	DL	400	350	0	YCA 391.50
1565	GPT	SAT	CO	228	0	0	YCA 290.50
1586	GTF	SLC	DL	402	352	0	YCA 391.50
1591	HNL	IAD	UA	429	0	0	YCA 438.50
1592	HNL	IAH	CO	701	0	0	YCA 710.50
1594	HNL	JAX	CO	798	0	0	YCA 807.50
1596	HNL	LAS	UA	345	175	0	YCA 354.50 - TDG 184.50
1597	HNL	LAX	UA	200	0	0	YCA 209.50
1599	HNL	MCI	AA	598	299	0	YCA 607.50 - VCA 308.50
1600	HNL	MCO	UA	684	383	0	YCA 693.50 - SCA 392.50
1602	HNL	MSP	NW	623	553	0	YCA 632.50 - BCA 562.50
1603	HNL	MSY	CO	732	0	0	YCA 741.58
1606	HNL	ORD	AA	369	243	0	YCA 378.50 - BCA 252.50
1608	HNL	PDX	UA	195	0	0	YCA 204.50
1609	HNL	PHL	UA	283	0	0	YCA 292.50
1610	HNL	PHX	UA	380	0	0	YCA 389.50
1614	HNL	SAN	UA	295	0	0	YCA 304.50
1616	HNL	SEA	UA	250	0	0	YCA 259.50
1617	HNL	SFO	TZ	409	259	560	YCA 418.50 - KCA 268.50 - NO BUS FARE
1618	HNL	SLC	DL	490	390	0	YCA 499.50 - KCA 399.50
1619	HNL	SMF	UA	232	0	0	YCA 241.50
1620	HNL	SNA	UA	379	0	0	YCA 388.50
1622	HNL	TPA	CO	798	0	0	YCA 807.50
1726	IAD	SJU	AA	215	190	322	YCA 231.60 - VCA 206.60 - NO BUS FARE
1755	IAH	OKC	WN	121	101	0	EXPIRES 02 APR
1775	IAH	SJU	DL	379	0	790	YCA 395.60 - BUS 806.60
1781	IAH	TUL	WN	106	85	0	EXPIRES 02 APR
1805	IND	MCO	TZ	135	105	349	NO BUS FARE

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
1856	JFK	SJU	AA	410	365	615	YCA 426.60 - VCA 381.50 - NO BUS FARE
1858	JFK	STT	AA	415	355	622	YCA 431.60 - NO BUS FARE
1864	KTN	SEA	AS	369	0	0	YCA 378.54
1905	LAX	LIH	AA	305	186	0	YCA 314.50 - VCA 195.50
1908	LAX	MDW	WN	224	158	349	NO BUS FARE
1914	LAX	MLB	DL	500	330	0	YCA 501.50
1920	LAX	OGG	UA	257	0	0	YCA 266.50
1930	LAX	PNS	DL	245	197	0	NO DL FARE
1970	LGA	PWM	AA	164	101	0	NO AA FARE
2448	SAT	SJU	AA	473	422	709	YCA 489.60 - VCA 438.60 - NO BUS FARE
2455	SAT	VPS	NW	353	258	0	YCA 345.60
2484	SJC	TUS	HP	140	70	0	KCA 112.50
2488	SJU	STT	AA	162	122	210	NO BUS FARE
2497	SLC	VPS	DL	490	387	0	YCA 421.50
2508	TPA	VPS	US	199	0	0	NO US FARE
2514	CVG	HNL	DL	695	525	0	YCA 704.50 - KCA 534.50
2518	MCI	SNA	YX	321	293	0	EXPIRES 30 APR
3030	BOS	YOW	CO	251	0	0	YCA 286.30
3035	CHI	BZE	US	499	399	0	YCA 494.00 - HCA 394.00
3042	CHI	YOW	AA	400	250	0	YCA 421.75 - VCA 263.72
3043	CHI	YTO	UA	191	174	0	YCA 207.82 - QCA 189.55
2036	MCO	PFN	US	199	0	0	NO US FARE
2050	MCO	SJU	AA	309	274	463	YCA 325.60 - VCA 290.60 - NO BUS FARE
2053	MCO	VPS	US	199	0	0	NO US FARE
2066	MDW	MKE	TZ	85	45	349	NO TZ FARE
2067	MDW	MLI	TZ	219	149	349	NO TZ FARE
2068	MDW	MSP	TZ	70	0	349	NO BUS FARE
2119	MIA	SJU	AA	329	292	493	YCA 345.60 - VCA

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
							308.60 - NO BUS FARE
2121	MIA	STT	AA	368	327	552	YCA 384.60 - NO BUS FARE
2123	MIA	TLH	DL	185	165	0	YCA 177.50
2133	MKE	PIT	YX	230	185	0	YCA 227.50
2157	MSO	SLC	DL	410	350	0	YCA 391.50
2217	OGG	SEA	NW	509	340	0	YCA 518.50 - HCA 349.50
2269	ORD	SJU	AA	284	252	426	YCA 300.60 - VCA 268.60 - NO BUS FARE
2328	PFN	TPA	US	199	0	0	NO US FARE
2347	PHL	SJU	US	308	201	0	YCA 324.60 - HCA 217.60
2351	PHL	SYR	US	377	344	0	MCA 341.50
2390	PNS	SAN	DL	500	400	0	NO DL FARE
2393	PNS	TPA	US	249	0	0	NO US FARE
2395	PSC	SLC	DL	420	363	0	YCA 371.50
2413	RDU	SJU	US	350	289	0	YCA 366.60 - HCA 305.60
3080	DTT	YOW	NW	391	316	0	YCA 422.82 - MCA 342.20
3117	HOU	PAR	AA	420	276	4026	DDG 3409.00
3122	HOU	YOW	DL	400	250	0	YCA 432.50 - KCA 271.25
5419	CAE	TUS	DL	519	0	0	YCA 501.50
6410	OKC	PFN	DL	399	0	0	NO DL YCA FARE
6423	OKC	SJU	AA	460	0	0	YCA 476.60
6453	ONT	SAV	DL	535	0	0	YCA 501.50
3163	MIA	CUR	AA	414	269	621	NO AA FARE
3234	NYC	YMQ	DL	123	103	0	YCA 134.72 - KCA 113.22
3235	NYC	YOW	CO	338	0	0	NO CO FARE
3236	NYC	YTO	AA	170	129	0	YCA 150.85 - VCA 141.17
3296	SEA	HKG	UA	595	450	2700	DCB 2750.00
3309	SEA	YVR	UA	122	113	0	YCA 133.65 - QCA 123.97
3402	WAS	BZE	US	413	313	0	YCA 418.00 - HCA

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
							318.00
3454	WAS	MBJ	DL	323	0	403	NO BUS FARE
3509	WAS	YMQ	UA	191	174	0	YCA 207.82 - QCA 189.55
3510	WAS	YOW	US	349	295	0	YCA 377.67 - MCA 319.62
3511	WAS	YTO	US	155	135	0	YCA 169.12 - VCA 147.62
3517	ATL	SCL	DL	680	0	1360	NO BUS FARE
3519	BOS	YHZ	DL	220	179	0	YCA 239.00 - KCA 194.92
3520	BOS	YTO	AA	329	289	0	YCA 356.17 - VCA 313.17
3525	DTT	OSA	UA	350	225	2590	NO BUS FARE
3538	HOU	YTO	UA	222	188	0	NO YCA - NO XCA FARE
3539	LAX	YVR	DL	188	128	0	YCA204.60 - KCA 140.10
3547	NYC	YHZ	AA	329	289	0	YCA 356.17 - VCA 313.17
3548	NYC	YQB	CO	410	0	0	YCA443.25
3550	PHL	YMQ	US	450	245	0	YCA 486.25 - HCA 265.87
3557	SLC	YYC	DL	374	274	0	YCA 404.55 - KCA 297.05
5034	ABQ	RAP	DL	500	0	0	YCA 421.50
5036	ABQ	RIC	DL	500	0	0	YCA 501.50
5044	ABY	ILM	DL	395	0	0	YCA 391.50
5077	AGS	EWR	CO	168	0	0	NO YCA FARE
5096	AGS	SJU	DL	425	0	679	YCA 441.60 - ACB 695.60
5107	ALB	LIT	DL	488	0	0	YCA 421.50
5121	ANC	BOI	AS	589	0	0	YCA 598.50
5122	ANC	BOS	DL	640	0	0	YCA 649.50
5128	ANC	DEN	AS	459	0	0	YCA 468.50
5129	ANC	DFW	AA	320	0	0	YCA 329.50
5130	ANC	DTW	NW	713	0	0	YCA 722.50
5131	ANC	EWR	DL	550	0	0	YCA 559.50
5132	ANC	GEG	AS	589	0	0	YCA 598.50
5135	ANC	IAH	NW	609	0	0	YCA 618.50

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
5137	ANC	LAS	AS	619	0	0	YCA 628.50
5138	ANC	LAX	AS	477	0	0	YCA 486.50
5140	ANC	MCI	NW	554	0	0	YCA 563.56
5141	ANC	MCO	AS	559	0	0	YCA 568.50
5142	ANC	MEM	NW	625	0	0	YCA 634.50
5146	ANC	OAK	AS	599	0	0	YCA 608.56
5148	ANC	ONT	AS	629	0	0	YCA 638.50
5150	ANC	PDX	AS	579	0	0	YCA 588.50
5151	ANC	PHL	NW	617	0	0	YCA 626.50
5152	ANC	PHX	DL	599	0	0	YCA 608.50
5155	ANC	SAN	AS	629	0	0	YCA 638.50
5157	ANC	SFO	AS	599	0	0	YCA 608.50
5159	ANC	SMF	AS	599	0	0	YCA 608.50
5160	ANC	STL	AS	649	0	0	YCA 658.50
5171	ATL	FSD	AA	151	0	0	NO AA FARE
5206	AUS	SJU	DL	419	0	944	YCA 435.60 - ACB 960.60
5246	BHM	HNL	CO	757	0	0	YCA 766.50
5281	BNA	HNL	CO	752	0	0	YCA 761.50
5467	CLE	HNL	NW	676	0	0	YCA 685.50
5478	CLT	HNL	CO	787	0	0	YCA 796.50
5489	CMH	HNL	AA	286	0	0	YCA 295.50
5502	CMH	SJU	DL	340	0	743	YCA 356.60 - ACB 759.60
5561	CSG	JAN	DL	400	0	0	YCA 391.50
5563	CSG	LAX	DL	535	0	0	YCA 501.50
5579	CSG	SJU	DL	425	0	728	YCA 441.60 - ACB 744.60
5580	CSG	SLC	DL	469	0	0	YCA 451.50
5590	DAY	HNL	TZ	461	0	649	NO TZ FARE
5600	DAY	ONT	DL	525	0	0	YCA 501.50
5617	DEN	FAI	NW	626	0	0	YCA 635.50
5649	DEN	VPS	DL	473	0	0	YCA 421.50
5653	DFW	FAI	AS	699	0	0	YCA 708.50
5684	DLH	ORD	AA	299	0	0	NO AA FARE
5787	FAI	ORD	AS	699	0	0	YCA 708.50
5802	FAT	HNL	UA	575	0	0	YCA 584.50

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
5816	FAY	JAN	DL	422	0	0	YCA 391.50
5858	FSD	STL	AA	367	0	0	NO AA FARE
5873	GEG	RDU	HP	255	0	0	NO HP FARE
5902	GPT	SEA	DL	590	0	0	YCA 501.50
5904	GPT	SLC	DL	570	0	0	YCA 451.50
5921	HNL	IND	TZ	579	0	649	YCA 588.50
5923	HNL	JFK	DL	559	0	0	YCA 568.50
5925	HNL	LGA	DL	500	0	0	YCA 568.50
5930	HNL	MIA	AA	605	0	0	YCA 614.50
5933	HNL	MRY	UA	515	0	0	YCA 524.50
5937	HNL	ONT	UA	280	0	0	YCA 289.50
5942	HNL	PSP	UA	249	0	0	YCA 258.50
5944	HNL	RDU	CO	807	0	0	YCA 816.50
5945	HNL	RNO	UA	696	0	0	YCA 705.50
5947	HNL	SBP	UA	571	0	0	YCA 580.50
5950	HNL	SJC	AA	526	0	0	YCA 535.50
5976	HSV	OKC	DL	145	0	0	NO DL YCA FARE
5998	IAH	PHF	DL	550	0	0	YCA 481.50
6007	ICT	SAT	AA	255	0	0	NO YCA FARE - VCA 257.50
6049	IND	SFO	TZ	115	0	349	NO BUS FARE
6051	IND	SJU	US	315	0	0	YCA 331.60
6094	JAX	ONT	DL	659	0	0	YCA 501.50
6109	JAX	TUS	DL	600	0	0	YCA 451.50
6118	LAS	LGA	TZ	161	0	349	NO BUS FARE
6122	LAS	PFN	DL	520	0	0	YCA 451.50
6128	LAS	SJU	AA	465	0	0	YCA 481.60
6165	LAX	SJU	DL	475	0	1046	YCA 491.60 - ACB 1062.60
6180	LGA	PHX	TZ	119	0	349	NO BUS FARE
6236	MCI	SJU	DL	340	0	743	YCA 356.60 - ACB 759.60
6251	MCO	MLI	TZ	108	0	349	NO TZ FARE
6282	MEI	ORF	DL	457	0	0	YCA 421.50
6298	MGM	SEA	DL	540	0	0	YCA 501.50
6309	MIA	PNS	US	300	0	0	NO US FARE
6339	MOB	SAN	DL	540	0	0	YCA 501.60

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
6345	MOB	TPA	DL	300	0	0	YCA 291.50
6368	MSP	SJU	DL	348	0	927	YCA 364.60 - ACB 943.60
6370	MSP	VPS	DL	514	0	0	YCA 501.50
6485	PBI	SEA	DL	520	0	0	YCA 501.50
6503	PFN	SLC	DL	424	0	0	YCA 421.50
6509	PHF	SEA	DL	644	0	0	YCA 501.50
6511	PHF	SJU	US	525	0	0	YCA 541.60
6541	PNS	SJU	DL	450	0	679	YCA 466.60 - ACB 695.60
6550	PVD	SJU	US	275	0	0	YCA 291.60
6558	PWM	STL	AA	237	0	0	NO AA FARE
6577	RIC	SJU	DL	227	0	888	YCA 243.60 - ACB 904.60
6593	SAN	SJU	DL	534	0	1082	YCA 550.60 - ACB 1098.60
6612	SAV	SJU	DL	381	0	679	YCA 397.60 - ACB 695.60
6623	SDF	SJU	DL	380	0	694	YCA 396.60 - ACB 710.60
6626	SDF	SWF	DL	201	0	0	NO DL FARE
6636	SEA	TLH	DL	529	0	0	YCA 501.50
6647	SHV	SYR	DL	433	0	0	YCA 421.50
6651	SJU	SYR	US	316	0	0	NO YCA FARE
6653	SJU	VPS	DL	373	0	743	NO DL FARE
7053	BOI	YEA	AS	293	249	0	YCA 309.60 - MCA 265.60
7061	BOS	YMQ	DL	385	275	0	YCA 416.37 - KCA 298.12
7062	BOS	YQB	DL	329	202	0	YCA 356.17 - KCA 219.65
7136	CVG	SEL	DL	499	0	3313	DCA 3314.00
7144	DEN	YTO	AA	209	0	0	YCA 227.17
7154	DHN	BOG	DL	650	0	820	NO BUS FARE
7169	EWN	FRA	US	355	315	1555	NO YCA - NO XCA - NO BUS FARE
7191	FLL	KIN	DL	167	0	259	NO BUS FARE
7246	HOU	YMQ	AA	244	0	0	YCA 264.80
7265	IND	SEL	DL	527	0	3170	DCA 5170.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Amadeus Error
7268	JAX	AUA	DL	349	0	535	NO BUS FARE
7284	LAS	YEA	HP	350	0	0	YCA 371.60
7374	OAJ	FRA	US	355	315	1555	NO YCA - NO XCA - NO BUS FARE
7414	ORF	YTO	DL	400	200	0	YCA 432.50 - KCA 217.50
7426	PDX	YVR	UA	107	83	0	YCA 117.52 - VCA 91.72
7444	PHX	YEA	AS	309	289	0	YCA 325.60 - MCA 305.60
7445	PHX	YQB	NW	782	0	0	YCA 843.15
7446	PHX	YTO	AA	268	0	0	YCA 290.60
7494	SAN	HKG	UA	750	575	2890	DCB 2940.00
7513	SAN	YVR	UA	160	116	0	YCA 174.50 - VCA 127.20
7514	SAN	YYJ	AS	439	359	0	YCA 474.42 - BCA 388.42
7517	SAT	BOG	DL	690	0	960	NO BUS FARE
7573	SLC	YEA	HP	300	0	0	YCA 321.60
7574	SLC	YMQ	AA	271	0	0	YCA 293.82
7575	SLC	YTO	AA	269	0	0	YCA 291.67
7576	SLC	YWG	NW	596	0	0	YCA 643.20
7651	WAS	MTY	DL	295	0	863	YCA 319.62 - NO BUS FARE
7660	WAS	RIO	UA	440	395	2700	DCB 2470.00
7671	WAS	YEA	NW	728	0	0	YCA 744.60
7672	WAS	YHZ	AA	364	0	0	YCA 415.30
7674	WAS	YVR	UA	204	157	0	YCA 221.80 - VCA 171.27
7675	WAS	YWG	NW	625	0	0	YCA 674.34
7676	WAS	YYC	UA	192	163	0	YCA 208.90 - VCA 177.72
7677	WAS	YYJ	AS	579	429	0	YCA 624.92 - BCA 463.67

6.2 Galileo

<i>Item</i>	<i>Origin</i>	<i>Destination</i>	<i>Airline</i>	<i>YCA Fare</i>	<i>XCA Fare</i>	<i>Business Fare</i>	<i>Galileo Error</i>
25	ABQ	IAH	WN	160	128	0	EXPIRES 02 APR
39	ABQ	PNS	DL	518	381	0	YCA 449.00
52	ABY	DCA	DL	466	426	0	YCA 419.00 - QCA 419.00
55	ABY	IAD	DL	438	398	0	YCA 419.00 - QCA 419.00
109	ANC	ATL	DL	525	425	0	YCA 532.00 - QCA 432.00
111	ANC	BWI	NW	573	383	0	YCA 580.00 - MCA 390.00
113	ANC	DCA	AS	499	379	0	YCA 506.00 - LCA 386.01
120	ANC	IAD	NW	621	348	0	YCA 628.00 - MCA 355.00
122	ANC	MSP	AS	685	419	0	YCA 692.00 - LCA 426.00
124	ANC	ORD	AS	469	339	0	YCA 476.00 - QCA 346.00
128	ANC	SEA	AS	539	0	0	YCA 546.00
129	ANC	SLC	DL	598	498	0	YCA 605.00 - HCA 505.00
155	ATL	CVG	DL	384	319	0	YCA 359.00
178	ATL	HNL	DL	507	407	0	YCA 514.00 - KCA 414.00
331	BDL	SJU	AA	300	266	450	NO BUS FARE
374	BIL	SLC	DL	405	355	0	YCA 389.00
441	BOI	PHX	HP	140	110	0	NO XCA FARE
466	BOS	HNL	DL	364	273	0	YCA 371.00 - KCA 280.00
473	BOS	ISP	AA	196	133	0	NO AA FARE
496	BOS	RIC	AA	169	129	0	EXPIRES 30 APR
503	BOS	SJU	AA	376	334	564	NO BUS FARE
537	BTV	SLC	DL	900	400	0	YCA 499.00
582	BWI	FAI	NW	672	460	0	MCA 679.00 - MCA 467.00
598	BWI	HNL	UA	640	0	0	YCA 647.00
602	BWI	IAH	DL	300	250	0	YCA 269.00
675	BWI	SJU	AA	292	259	438	NO BUS FARE

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Galileo Error
696	BZN	SLC	DL	405	355	0	YCA 389.00
759	CHS	TUS	DL	505	345	0	YCA 499.00
876	CMI	MHT	NW	529	353	0	YCA 353.00 - NO XCA FARE
879	COS	CVG	DL	500	350	0	YCA 479.00
916	COS	VPS	DL	491	350	0	YCA 449.00
954	CVG	DSM	DL	450	350	0	YCA 379.00
957	CVG	FAT	DL	570	470	0	YCA 499.00
968	CVG	LGA	DL	447	347	0	YCA 439.00
970	CVG	MCI	DL	410	330	0	YCA 379.00
971	CVG	MCO	DL	400	284	0	YCA 359.00
977	CVG	MSY	DL	420	320	0	YCA 409.00
982	CVG	PDX	DL	502	382	0	YCA 488.00
999	CVG	TPA	DL	396	266	0	YCA 359.00
1033	DAY	VPS	NW	351	323	0	YCA 323.00 - NO XCA FARE
1037	DCA	DLH	AA	244	184	0	NO AA FARE
1046	DCA	FAI	AS	549	449	0	YCA 556.00 - LCA 456.00
1049	DCA	FAY	US	330	304	0	MCA 299.00
1067	DCA	HNL	AA	479	249	0	YCA 486.00 - VCA 256.00
1076	DCA	IND	US	343	293	0	YCA 339.00
1099	DCA	MDW	TZ	89	0	349	NO BUS FARE
1116	DCA	MYR	US	343	279	0	HCA 199.00
1138	DCA	RNO	HP	215	161	0	LCA 171.00
1190	DEN	HNL	UA	586	0	0	YCA 593.00
1222	DEN	PHX	HP	130	99	0	YCA 135.00 - KCA 104.00
1250	DFW	HNL	AA	506	321	0	YCA 513.00 - VCA 328.00
1272	DFW	MDW	TZ	199	149	349	NO BUS FARE
1309	DFW	SJU	AA	497	444	745	NO BUS FARE
1326	DSM	MDW	TZ	79	66	349	NO TZ FARE
1336	DTW	HNL	UA	511	0	0	YCA 518.00
1389	ELP	MCI	UA	211	0	0	NO UA YCA - AA YCA 299.00
1427	EWR	HNL	DL	360	240	0	YCA 367.00 - KCA 247.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Galileo Error
1464	EWR	SJU	AA	374	333	561	NO BUS FARE
1468	EWR	STT	AA	384	338	576	NO BUS FARE
1481	EYW	TPA	US	199	0	0	NO US FARE
1485	FAI	MSP	NW	749	499	0	YCA 756.00 - MCA 506.00
1488	FAI	SEA	AS	589	0	0	YCA 596.00
1491	FAT	IAD	HP	270	225	0	NO YCA FARE
1500	FAT	SLC	DL	394	319	0	YCA 369.00
1501	FAY	IAD	US	332	301	0	MCA 299.00
1514	FCA	SLC	DL	418	367	0	YCA 389.00
1527	FLL	SJU	AA	329	292	493	NO BUS FARE
1531	FSD	ORD	AA	244	184	0	NO AA FARE
1538	GEG	IAH	DL	400	205	0	YCA 389.00
1552	GNV	SDF	DL	400	350	0	YCA 389.00
1565	GPT	SAT	CO	228	0	0	YCA 288.00
1586	GTF	SLC	DL	402	352	0	YCA 389.00
1591	HNL	IAD	UA	429	0	0	YCA 435.99
1592	HNL	IAH	CO	701	0	0	YCA 708.00
1594	HNL	JAX	CO	798	0	0	YCA 805.00
1596	HNL	LAS	UA	345	175	0	YCA 352.00 - TDG 182.00
1597	HNL	LAX	UA	200	0	0	YCA 207.00
1599	HNL	MCI	AA	598	299	0	YCA 605.00 - VCA 306.00
1600	HNL	MCO	UA	684	383	0	YCA 691.00 - SCA 390.00
1602	HNL	MSP	NW	623	553	0	YCA 630.00 - BCA 560.00
1603	HNL	MSY	CO	732	0	0	YCA 739.01
1606	HNL	ORD	AA	369	243	0	YCA 376.00 - VCA 250.00
1608	HNL	PDX	UA	195	0	0	YCA 202.00
1609	HNL	PHL	UA	283	0	0	YCA 290.00
1610	HNL	PHX	UA	380	0	0	YCA 387.00
1614	HNL	SAN	UA	295	0	0	YCA 302.00
1616	HNL	SEA	UA	250	0	0	YCA 257.00
1617	HNL	SFO	TZ	409	259	560	YCA 416.00 - KCA 266.00 - NO BUS FARE

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Galileo Error
1618	HNL	SLC	DL	490	390	0	YCA 497.00 - KCA 397.00
1619	HNL	SMF	UA	232	0	0	YCA 239.00
1620	HNL	SNA	UA	379	0	0	YCA 386.00
1622	HNL	TPA	CO	798	0	0	YCA 805.00
1726	IAD	SJU	AA	215	190	322	NO BUS FARE
1755	IAH	OKC	WN	121	101	0	EXPIRES 02 APR
1781	IAH	TUL	WN	106	85	0	EXPIRES 02 APR
1805	IND	MCO	TZ	135	105	349	NO BUS FARE
1856	JFK	SJU	AA	410	365	615	NO BUS FARE
1858	JFK	STT	AA	415	355	622	NO BUS FARE
1864	KTN	SEA	AS	369	0	0	YCA 376.00
1905	LAX	LIH	AA	305	186	0	YCA 312.00 - VCA 193.00
1908	LAX	MDW	WN	224	158	349	NO BUS FARE
1914	LAX	MLB	DL	500	330	0	YCA 499.00
1920	LAX	OGG	UA	257	0	0	YCA 264.00
1930	LAX	PNS	DL	245	197	0	NO DL FARE
1970	LGA	PWM	AA	164	101	0	NO AA FARE
2448	SAT	SJU	AA	473	422	709	NO BUS FARE
2455	SAT	VPS	NW	353	258	0	YCA 343.00
2484	SJC	TUS	HP	140	70	0	KCA 110.00
2488	SJU	STT	AA	162	122	210	NO BUS FARE
2497	SLC	VPS	DL	490	387	0	YCA 419.00
2508	TPA	VPS	US	199	0	0	NO US FARE
2514	CVG	HNL	DL	695	525	0	YCA 702.00 - KCA 532.00
2518	MCI	SNA	YX	321	293	0	EXPIRES 30 APR
3030	BOS	YOW	CO	251	0	0	YCA 264.00
3035	CHI	BZE	US	499	399	0	YCA 494.00 - HCA 394.00
3042	CHI	YOW	AA	400	250	0	YCA 390.00 - VCA 243.00
2036	MCO	PFN	US	199	0	0	NO US FARE
2050	MCO	SJU	AA	309	274	463	NO BUS FARE
2053	MCO	VPS	US	199	0	0	NO US FARE
2066	MDW	MKE	TZ	85	45	349	NO TZ FARE
2067	MDW	MLI	TZ	219	149	349	NO TZ FARE

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Galileo Error
2068	MDW	MSP	TZ	70	0	349	NO BUS FARE
2119	MIA	SJU	AA	329	292	493	NO BUS FARE
2121	MIA	STT	AA	368	327	552	NO BUS FARE
2123	MIA	TLH	DL	185	165	0	YCA 175.00
2133	MKE	PIT	YX	230	185	0	YCA 225.00
2157	MSO	SLC	DL	410	350	0	YCA 389.00
2217	OGG	SEA	NW	509	340	0	YCA 516.00 - HCA 347.00
2269	ORD	SJU	AA	284	252	426	NO BUS FARE
2328	PFN	TPA	US	199	0	0	NO US FARE
2351	PHL	SYR	US	377	344	0	MCA 339.00
2390	PNS	SAN	DL	500	400	0	NO DL FARE
2393	PNS	TPA	US	249	0	0	NO US FARE
2395	PSC	SLC	DL	420	363	0	YCA 369.00
3082	EWR	FRA	UA	346	280	2644	YCA 215.00 - HCA 189.00 - BUS 2884.00
3117	HOU	PAR	AA	420	276	4026	DDG 3409.00
5419	CAE	TUS	DL	519	0	0	YCA 499.00
6453	ONT	SAV	DL	535	0	0	YCA 499.00
3163	MIA	CUR	AA	414	269	621	NO AA FARE
3235	NYC	YOW	CO	338	0	0	NO CO FARE
3236	NYC	YTO	AA	170	129	0	YCA 138.00
3296	SEA	HKG	UA	595	450	2700	DCB 2750.00
3402	WAS	BZE	US	413	313	0	YCA 418.00 - HCA 318.00
3454	WAS	MBJ	DL	323	0	403	NO BUS FARE
3517	ATL	SCL	DL	680	0	1360	NO BUS FARE
3538	HOU	YTO	UA	222	188	0	NO YCA - NO XCA FARE
5034	ABQ	RAP	DL	500	0	0	YCA 419.00
5036	ABQ	RIC	DL	500	0	0	YCA 499.00
5044	ABY	ILM	DL	395	0	0	YCA 389.00
5077	AGS	EWR	CO	168	0	0	NO YCA FARE
5107	ALB	LIT	DL	488	0	0	YCA 419.00
5121	ANC	BOI	AS	589	0	0	YCA 596.00
5122	ANC	BOS	DL	640	0	0	YCA 647.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Galileo Error
5128	ANC	DEN	AS	459	0	0	YCA 466.00
5129	ANC	DFW	AA	320	0	0	YCA 327.00
5130	ANC	DTW	NW	713	0	0	YCA 720.00
5131	ANC	EWR	DL	550	0	0	YCA 557.11
5132	ANC	GEG	AS	589	0	0	YCA 596.00
5135	ANC	IAH	NW	609	0	0	YCA 616.00
5137	ANC	LAS	AS	619	0	0	YCA 626.00
5138	ANC	LAX	AS	477	0	0	YCA 484.00
5140	ANC	MCI	NW	554	0	0	YCA 561.00
5141	ANC	MCO	AS	559	0	0	YCA 566.00
5142	ANC	MEM	NW	625	0	0	YCA 632.00
5146	ANC	OAK	AS	599	0	0	YCA 606.00
5148	ANC	ONT	AS	629	0	0	YCA 636.00
5150	ANC	PDX	AS	579	0	0	YCA 586.00
5151	ANC	PHL	NW	617	0	0	YCA 624.00
5152	ANC	PHX	DL	599	0	0	YCA 606.00
5155	ANC	SAN	AS	629	0	0	YCA 636.00
5157	ANC	SFO	AS	599	0	0	YCA 606.00
5159	ANC	SMF	AS	599	0	0	YCA 606.00
5160	ANC	STL	AS	649	0	0	YCA 656.00
5171	ATL	FSD	AA	151	0	0	NO AA FARE
5246	BHM	HNL	CO	757	0	0	YCA 764.00
5281	BNA	HNL	CO	752	0	0	YCA 759.00
5467	CLE	HNL	NW	676	0	0	YCA 683.00
5478	CLT	HNL	CO	787	0	0	YCA 794.00
5489	CMH	HNL	AA	286	0	0	YCA 293.00
5561	CSG	JAN	DL	400	0	0	YCA 389.00
5563	CSG	LAX	DL	535	0	0	YCA 499.00
5580	CSG	SLC	DL	469	0	0	YCA 449.00
5590	DAY	HNL	TZ	461	0	649	NO TZ FARE
5600	DAY	ONT	DL	525	0	0	YCA 499.00
5617	DEN	FAI	NW	626	0	0	YCA 633.01
5649	DEN	VPS	DL	473	0	0	YCA 419.00
5653	DFW	FAI	AS	699	0	0	YCA 706.00
5684	DLH	ORD	AA	299	0	0	NO AA FARE
5787	FAI	ORD	AS	699	0	0	YCA 706.00

<i>Item</i>	<i>Origin</i>	<i>Destination</i>	<i>Airline</i>	<i>YCA Fare</i>	<i>XCA Fare</i>	<i>Business Fare</i>	<i>Galileo Error</i>
5802	FAT	HNL	UA	575	0	0	YCA 582.00
5816	FAY	JAN	DL	422	0	0	YCA 389.00
5858	FSD	STL	AA	367	0	0	NO AA FARE
5873	GEG	RDU	HP	255	0	0	NO HP FARE
5902	GPT	SEA	DL	590	0	0	YCA 499.00
5904	GPT	SLC	DL	570	0	0	YCA 449.00
5921	HNL	IND	TZ	579	0	649	YCA 586.00
5923	HNL	JFK	DL	559	0	0	YCA 566.00
5925	HNL	LGA	DL	500	0	0	YCA 507.00
5930	HNL	MIA	AA	605	0	0	YCA 612.00
5933	HNL	MRY	UA	515	0	0	YCA 522.00
5937	HNL	ONT	UA	280	0	0	YCA 287.00
5942	HNL	PSP	UA	249	0	0	YCA 256.00
5944	HNL	RDU	CO	807	0	0	YCA 814.00
5945	HNL	RNO	UA	696	0	0	YCA 703.00
5947	HNL	SBP	UA	571	0	0	YCA 578.00
5950	HNL	SJC	AA	526	0	0	YCA 533.00
5976	HSV	OKC	DL	145	0	0	NO DL YCA FARE
5998	IAH	PHF	DL	550	0	0	YCA 479.00
6007	ICT	SAT	AA	255	0	0	NO YCA FARE - YCA 255.00
6049	IND	SFO	TZ	115	0	349	NO BUS FARE
6094	JAX	ONT	DL	659	0	0	YCA 499.00
6109	JAX	TUS	DL	600	0	0	YCA 449.00
6118	LAS	LGA	TZ	161	0	349	NO BUS FARE
6122	LAS	PFN	DL	520	0	0	YCA 449.00
6180	LGA	PHX	TZ	119	0	349	NO BUS FARE
6251	MCO	MLI	TZ	108	0	349	NO TZ FARE
6282	MEI	ORF	DL	457	0	0	YCA 419.00
6298	MGM	SEA	DL	540	0	0	YCA 499.00
6309	MIA	PNS	US	300	0	0	NO US FARE
6339	MOB	SAN	DL	540	0	0	YCA 499.00
6345	MOB	TPA	DL	300	0	0	YCA 289.00
6370	MSP	VPS	DL	514	0	0	YCA 499.00
6485	PBI	SEA	DL	520	0	0	YCA 499.00
6503	PFN	SLC	DL	424	0	0	YCA 419.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Galileo Error
6509	PHF	SEA	DL	644	0	0	YCA 499.00
6558	PWM	STL	AA	237	0	0	NO AA FARE
6626	SDF	SWF	DL	201	0	0	NO DL FARE
6636	SEA	TLH	DL	529	0	0	YCA 499.00
6647	SHV	SYR	DL	433	0	0	YCA 419.00
6651	SJU	SYR	US	316	0	0	NO YCA FARE
6653	SJU	VPS	DL	373	0	743	NO DL FARE
7136	CVG	SEL	DL	499	0	3313	DCA 3314.00
7154	DHN	BOG	DL	650	0	820	NO BUS FARE
7169	EWN	FRA	US	355	315	1555	NO YCA - NO XCA - NO BUS FARE
7191	FLL	KIN	DL	167	0	259	NO BUS FARE
7265	IND	SEL	DL	527	0	3170	DCA 5170.00
7268	JAX	AUA	DL	349	0	535	NO BUS FARE
7284	LAS	YEA	HP	350	0	0	YCA 355.00
7374	OAJ	FRA	US	355	315	1555	NO YCA - NO XCA - NO BUS FARE
7494	SAN	HKG	UA	750	575	2890	DCB 2940.00
7517	SAT	BOG	DL	690	0	960	NO BUS FARE
7529	SAT	SEL	DL	637	0	3247	DCA 3347.00
7573	SLC	YEA	HP	300	0	0	YCA 305.00
7651	WAS	MTY	DL	295	0	863	NO BUS FARE
7660	WAS	RIO	UA	440	395	2700	DCB 2470.00
7672	WAS	YHZ	AA	364	0	0	YCA 384.00

6.3 Sabre

<i>Item</i>	<i>Origin</i>	<i>Destination</i>	<i>Airline</i>	<i>YCA Fare</i>	<i>XCA Fare</i>	<i>Business Fare</i>	<i>Sabre Error</i>
25	ABQ	IAH	WN	160	128	0	EXPIRES 02 APR
39	ABQ	PNS	DL	518	381	0	YCA 449.00
52	ABY	DCA	DL	466	426	0	YCA 419.00 - QCA 419.00
55	ABY	IAD	DL	438	398	0	YCA 419.00 - QCA 419.00
109	ANC	ATL	DL	525	425	0	YCA 532.00 - QCA 432.00
111	ANC	BWI	NW	573	383	0	YCA 580.00 - MCA 390.00
113	ANC	DCA	AS	499	379	0	YCA 506.00 - LCA 386.00
120	ANC	IAD	NW	621	348	0	YCA 628.00 - MCA 355.00
122	ANC	MSP	AS	685	419	0	YCA 692.00 - LCA 426.00
124	ANC	ORD	AS	469	339	0	YCA 476.00 - QCA 346.00
128	ANC	SEA	AS	539	0	0	YCA 546.00
129	ANC	SLC	DL	598	498	0	YCA 605.00 - HCA 505.00
155	ATL	CVG	DL	384	319	0	YCA 359.00
178	ATL	HNL	DL	507	407	0	YCA 514.00 - KCA 414.00
331	BDL	SJU	AA	300	266	450	NO BUS FARE
374	BIL	SLC	DL	405	355	0	YCA 389.00
441	BOI	PHX	HP	140	110	0	NO XCA FARE
466	BOS	HNL	DL	364	273	0	YCA 371.00 - KCA 280.00
473	BOS	ISP	AA	196	133	0	NO AA FARE
496	BOS	RIC	AA	169	129	0	EXPIRES 30 APR
503	BOS	SJU	AA	376	334	564	NO BUS FARE
537	BTV	SLC	DL	900	400	0	YCA 499.00
582	BWI	FAI	NW	672	460	0	YCA 679.00 - MCA 467.00
598	BWI	HNL	UA	640	0	0	YCA 647.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
602	BWI	IAH	DL	300	250	0	YCA 269.00
675	BWI	SJU	AA	292	259	438	NO BUS FARE
696	BZN	SLC	DL	405	355	0	YCA 389.00
759	CHS	TUS	DL	505	345	0	YCA 499.00
876	CMI	MHT	NW	529	353	0	YCA 353.00 - NO XCA FARE
879	COS	CVG	DL	500	350	0	YCA 479.00
916	COS	VPS	DL	491	350	0	YCA 449.00
954	CVG	DSM	DL	450	350	0	YCA 379.00
957	CVG	FAT	DL	570	470	0	YCA 499.00
968	CVG	LGA	DL	447	347	0	YCA 439.00
970	CVG	MCI	DL	410	330	0	YCA 379.00
971	CVG	MCO	DL	400	284	0	YCA 359.00
977	CVG	MSY	DL	420	320	0	YCA 409.00
982	CVG	PDX	DL	502	382	0	YCA 488.00
999	CVG	TPA	DL	396	266	0	YCA 359.00
1033	DAY	VPS	NW	351	323	0	YCA 323.00 - NO XCA FARE
1037	DCA	DLH	AA	244	184	0	NO AA FARE
1046	DCA	FAI	AS	549	449	0	YCA 556.10 - LCA 456.10
1049	DCA	FAY	US	330	304	0	MCA 299.00
1067	DCA	HNL	AA	479	249	0	YCA 486.00 - VCA 256.10
1076	DCA	IND	US	343	293	0	YCA 339.00
1099	DCA	MDW	TZ	89	0	349	NO BUS FARE
1116	DCA	MYR	US	343	279	0	HCA 199.00
1138	DCA	RNO	HP	215	161	0	NO LCA FARE
1190	DEN	HNL	UA	586	0	0	YCA 593.00
1222	DEN	PHX	HP	130	99	0	YCA 135.00 - KCA 104.00
1250	DFW	HNL	AA	506	321	0	YCA 513.00 - VCA 328.00
1272	DFW	MDW	TZ	199	149	349	NO BUS FARE
1309	DFW	SJU	AA	497	444	745	NO BUS FARE
1326	DSM	MDW	TZ	79	66	349	NO TZ FARE
1336	DTW	HNL	UA	511	0	0	YCA 518.00
1389	ELP	MCI	UA	211	0	0	NO UA YCA - AA

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
							YCA 299.00
1427	EWR	HNL	DL	360	240	0	YCA 367.00 - KCA 247.00
1464	EWR	SJU	AA	374	333	561	NO BUS FARE
1468	EWR	STT	AA	384	338	576	NO BUS FARE
1481	EYW	TPA	US	199	0	0	NO US FARE
1485	FAI	MSP	NW	749	499	0	YCA 756.00 - MCA 506.00
1488	FAI	SEA	AS	589	0	0	YCA 596.00
1491	FAT	IAD	HP	270	225	0	NO YCA FARE
1500	FAT	SLC	DL	394	319	0	YCA 369.00
1501	FAY	IAD	US	332	301	0	MCA 299.00
1514	FCA	SLC	DL	418	367	0	YCA 389.00
1527	FLL	SJU	AA	329	292	493	NO BUS FARE
1531	FSD	ORD	AA	244	184	0	NO AA FARE
1538	GEG	IAH	DL	400	205	0	YCA 389.00
1552	GNV	SDF	DL	400	350	0	YCA 389.00
1565	GPT	SAT	CO	228	0	0	YCA 288.00
1586	GTF	SLC	DL	402	352	0	YCA 389.00
1591	HNL	IAD	UA	429	0	0	YCA 436.00
1592	HNL	IAH	CO	701	0	0	YCA 708.00
1594	HNL	JAX	CO	798	0	0	YCA 805.00
1596	HNL	LAS	UA	345	175	0	YCA 352.00 - TDG 182.00
1597	HNL	LAX	UA	200	0	0	YCA 207.00
1599	HNL	MCI	AA	598	299	0	YCA 605.00 - VCA 306.00
1600	HNL	MCO	UA	684	383	0	YCA 691.00 - SCA 390.00
1602	HNL	MSP	NW	623	553	0	YCA 630.00 - BCA 560.00
1603	HNL	MSY	CO	732	0	0	YCA 739.00
1606	HNL	ORD	AA	369	243	0	YCA 376.00 - VCA 250.00
1608	HNL	PDX	UA	195	0	0	YCA 202.00
1609	HNL	PHL	UA	283	0	0	YCA 290.00
1610	HNL	PHX	UA	380	0	0	YCA 387.00
1614	HNL	SAN	UA	295	0	0	YCA 302.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
1616	HNL	SEA	UA	250	0	0	YCA 257.00
1617	HNL	SFO	TZ	409	259	560	YCA 416.00 - KCA 266.00 - NO BUS FARE
1618	HNL	SLC	DL	490	390	0	YCA 497.00 - KCA 397.00
1619	HNL	SMF	UA	232	0	0	YCA 239.00
1620	HNL	SNA	UA	379	0	0	YCA 386.00
1622	HNL	TPA	CO	798	0	0	YCA 805.00
1726	IAD	SJU	AA	215	190	322	NO BUS FARE
1755	IAH	OKC	WN	121	101	0	EXPIRES 02APR
1781	IAH	TUL	WN	106	85	0	EXPIRES 02 APR
1805	IND	MCO	TZ	135	105	349	NO BUS FARE
1856	JFK	SJU	AA	410	365	615	NO BUS FARE
1858	JFK	STT	AA	415	355	622	NO BUS FARE
1864	KTN	SEA	AS	369	0	0	YCA 376.00
1905	LAX	LIH	AA	305	186	0	YCA 312.00 - VCA 193.00
1908	LAX	MDW	WN	224	158	349	NO BUS FARE
1914	LAX	MLB	DL	500	330	0	YCA 499.00
1920	LAX	OGG	UA	257	0	0	YCA 264.00
1930	LAX	PNS	DL	245	197	0	NO DL FARE
1970	LGA	PWM	AA	164	101	0	NO AA FARE
2448	SAT	SJU	AA	473	422	709	NO BUS FARE
2455	SAT	VPS	NW	353	258	0	YCA 343.00
2484	SJC	TUS	HP	140	70	0	KCA 110.00
2488	SJU	STT	AA	162	122	210	NO BUS FARE
2497	SLC	VPS	DL	490	387	0	YCA 419.00
2508	TPA	VPS	US	199	0	0	NO US FARE
2514	CVG	HNL	DL	695	525	0	YCA 702.00 - KCA 532.00
2518	MCI	SNA	YX	321	293	0	EXPIRES 30 APR
3030	BOS	YOW	CO	251	0	0	YCA 283.80
3035	CHI	BZE	US	499	399	0	YCA 494.00 - HCA 394.00
3042	CHI	YOW	AA	400	250	0	YCA 419.25 - VCA 261.22
3043	CHI	YTO	UA	191	174	0	YCA 205.32 - QCA 187.05

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
2036	MCO	PFN	US	199	0	0	NO US FARE
2050	MCO	SJU	AA	309	274	463	NO BUS FARE
2053	MCO	VPS	US	199	0	0	NO US FARE
2066	MDW	MKE	TZ	85	45	349	NO TZ FARE
2067	MDW	MLI	TZ	219	149	349	NO TZ FARE
2068	MDW	MSP	TZ	70	0	349	NO BUS FARE
2119	MIA	SJU	AA	329	292	493	NO BUS FARE
2121	MIA	STT	AA	368	327	552	NO BUS FARE
2123	MIA	TLH	DL	185	165	0	YCA 175.00
2133	MKE	PIT	YX	230	185	0	YCA 225.00
2157	MSO	SLC	DL	410	350	0	YCA 389.00
2217	OGG	SEA	NW	509	340	0	YCA 516.00 - HCA 347.00
2269	ORD	SJU	AA	284	252	426	NO BUS FARE
2328	PFN	TPA	US	199	0	0	NO US FARE
2351	PHL	SYR	US	377	344	0	MCA 339.00
2390	PNS	SAN	DL	500	400	0	NO DL FARE
2393	PNS	TPA	US	249	0	0	NO US FARE
2395	PSC	SLC	DL	420	363	0	YCA 369.00
3080	DTT	YOW	NW	391	316	0	YCA 420.32 NO XCA FARE
3117	HOU	PAR	AA	420	276	4026	DDG 3409.00
3122	HOU	YOW	DL	400	250	0	YCA 430.00 - KCA 268.75
5419	CAE	TUS	DL	519	0	0	YCA 499.00
6410	OKC	PFN	DL	399	0	0	NO DL YCA FARE
6453	ONT	SAV	DL	535	0	0	YCA 499.00
3163	MIA	CUR	AA	414	269	621	NO AA FARE
3219	NYC	NSI	AA	1230	775	2269	NO AA FARE
3234	NYC	YMQ	DL	123	103	0	YCA 132.22 - KCA 110.72
3235	NYC	YOW	CO	338	0	0	NO CO FARE
3236	NYC	YTO	AA	170	129	0	YCA 148.35 - VCA 138.67
3296	SEA	HKG	UA	595	450	2700	DCB 2750.00
3309	SEA	YVR	UA	122	113	0	YCA 131.15 - QCA 121.50
3402	WAS	BZE	US	413	313	0	YCA 418.00 HCA

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
							318.00
3454	WAS	MBJ	DL	323	0	403	NO BUS FARE
3509	WAS	YMQ	UA	191	174	0	YCA 205.32 - QCA 187.05
3510	WAS	YOW	US	349	295	0	YCA 375.17 - MCA 317.12
3511	WAS	YTO	US	155	135	0	YCA 166.62 - VCA 145.12
3517	ATL	SCL	DL	680	0	1360	NO BUS FARE
3519	BOS	YHZ	DL	220	179	0	YCA 236.50 - KCA 192.42
3520	BOS	YTO	AA	329	289	0	YCA 353.67 - VCA 310.67
3525	DTT	OSA	UA	350	225	2590	NO BUS FARE
3538	HOU	YTO	UA	222	188	0	NO UA YCA - NO XCA FARE
3539	LAX	YVR	DL	188	128	0	YCA 202.10 - KCA 137.60
3547	NYC	YHZ	AA	329	289	0	YCA 353.67 - VCA 310.67
3548	NYC	YQB	CO	410	0	0	YCA 440.75
3550	PHL	YMQ	US	450	245	0	YCA 483.75 - HCA 263.37
3557	SLC	YYC	DL	374	274	0	YCA 402.05 - KCA 294.55
5034	ABQ	RAP	DL	500	0	0	YCA 419.00
5036	ABQ	RIC	DL	500	0	0	YCA 499.00
5044	ABY	ILM	DL	395	0	0	YCA 389.00
5077	AGS	EWR	CO	168	0	0	NO YCA FARE
5107	ALB	LIT	DL	488	0	0	YCA 419.00
5121	ANC	BOI	AS	589	0	0	YCA 596.00
5122	ANC	BOS	DL	640	0	0	YCA 647.00
5128	ANC	DEN	AS	459	0	0	YCA 466.00
5129	ANC	DFW	AA	320	0	0	YCA 327.00
5130	ANC	DTW	NW	713	0	0	YCA 720.00
5131	ANC	EWR	DL	550	0	0	YCA 557.00
5132	ANC	GEG	AS	589	0	0	YCA 596.00
5135	ANC	IAH	NW	609	0	0	YCA 616.00
5137	ANC	LAS	AS	619	0	0	YCA 626.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
5138	ANC	LAX	AS	477	0	0	YCA 484.00
5140	ANC	MCI	NW	554	0	0	YCA 561.00
5141	ANC	MCO	AS	559	0	0	YCA 566.00
5142	ANC	MEM	NW	625	0	0	YCA 632.00
5146	ANC	OAK	AS	599	0	0	YCA 606.00
5148	ANC	ONT	AS	629	0	0	YCA 636.00
5150	ANC	PDX	AS	579	0	0	YCA 586.00
5151	ANC	PHL	NW	617	0	0	YCA 624.00
5152	ANC	PHX	DL	599	0	0	YCA 606.00
5155	ANC	SAN	AS	629	0	0	YCA 636.00
5157	ANC	SFO	AS	599	0	0	YCA 606.00
5159	ANC	SMF	AS	599	0	0	YCA 606.00
5160	ANC	STL	AS	649	0	0	YCA 656.00
5171	ATL	FSD	AA	151	0	0	NO AA FARE
5246	BHM	HNL	CO	757	0	0	YCA 764.00
5281	BNA	HNL	CO	752	0	0	YCA 759.00
5467	CLE	HNL	NW	676	0	0	YCA 683.00
5478	CLT	HNL	CO	787	0	0	YCA 794.00
5489	CMH	HNL	AA	286	0	0	YCA 293.00
5561	CSG	JAN	DL	400	0	0	YCA 389.00
5563	CSG	LAX	DL	535	0	0	YCA 499.00
5580	CSG	SLC	DL	469	0	0	YCA 449.00
5590	DAY	HNL	TZ	461	0	649	NO TZ FARE
5600	DAY	ONT	DL	525	0	0	YCA 499.00
5617	DEN	FAI	NW	626	0	0	YCA 633.00
5649	DEN	VPS	DL	473	0	0	YCA 419.00
5653	DFW	FAI	AS	699	0	0	YCA 706.00
5684	DLH	ORD	AA	299	0	0	NO AA FARE
5787	FAI	ORD	AS	699	0	0	YCA 706.00
5802	FAT	HNL	UA	575	0	0	YCA 582.00
5816	FAY	JAN	DL	422	0	0	YCA 389.00
5858	FSD	STL	AA	367	0	0	NO AA FARE
5873	GEG	RDU	HP	255	0	0	NO HP FARE
5902	GPT	SEA	DL	590	0	0	YCA 499.00
5904	GPT	SLC	DL	570	0	0	YCA 499.00
5921	HNL	IND	TZ	579	0	649	YCA 586.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
5923	HNL	JFK	DL	559	0	0	YCA 566.00
5925	HNL	LGA	DL	500	0	0	YCA 507.00
5930	HNL	MIA	AA	605	0	0	YCA 612.00
5933	HNL	MRY	UA	515	0	0	YCA 522.00
5937	HNL	ONT	UA	280	0	0	YCA 287.00
5942	HNL	PSP	UA	249	0	0	YCA 256.00
5944	HNL	RDU	CO	807	0	0	YCA 814.00
5945	HNL	RNO	UA	696	0	0	YCA 703.00
5947	HNL	SBP	UA	571	0	0	YCA 578.00
5950	HNL	SJC	AA	526	0	0	YCA 533.00
5976	HSV	OKC	DL	145	0	0	NO DL YCA FARE
5998	IAH	PHF	DL	550	0	0	YCA 479.00
6007	ICT	SAT	AA	255	0	0	NO YCA FARE - VCA 255.00
6049	IND	SFO	TZ	115	0	349	NO BUS FARE
6094	JAX	ONT	DL	659	0	0	YCA 499.00
6109	JAX	TUS	DL	600	0	0	YCA 449.00
6118	LAS	LGA	TZ	161	0	349	NO BUS FARE
6122	LAS	PFN	DL	520	0	0	YCA 449.00
6180	LGA	PHX	TZ	119	0	349	NO BUS FARE
6251	MCO	MLI	TZ	108	0	349	NO TZ FARE
6282	MEI	ORF	DL	457	0	0	YCA 419.00
6298	MGM	SEA	DL	540	0	0	YCA 499.00
6309	MIA	PNS	US	300	0	0	NO US FARE
6339	MOB	SAN	DL	540	0	0	YCA 499.00
6345	MOB	TPA	DL	300	0	0	YCA 289.00
6370	MSP	VPS	DL	514	0	0	YCA 499.00
6485	PBI	SEA	DL	520	0	0	YCA 499.00
6503	PFN	SLC	DL	424	0	0	YCA 419.00
6509	PHF	SEA	DL	644	0	0	YCA 499.0
6558	PWM	STL	AA	237	0	0	NO AA FARE
6626	SDF	SWF	DL	201	0	0	NO DL FARE
6636	SEA	TLH	DL	529	0	0	YCA 499.00
6647	SHV	SYR	DL	433	0	0	YCA 419.00
6651	SJU	SYR	US	316	0	0	NO YCA FARE
6653	SJU	VPS	DL	373	0	743	NO DL FARE

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
7061	BOS	YMQ	DL	385	275	0	YCA 413.87 - KCA 295.62
7062	BOS	YQB	DL	329	202	0	YCA 353.67 - KCA 217.15
7136	CVG	SEL	DL	499	0	3313	DCA 3314.00
7144	DEN	YTO	AA	209	0	0	YCA 224.67
7154	DHN	BOG	DL	650	0	820	NO BUS FARE
7169	EWN	FRA	US	355	315	1555	NO YCA - NO XCA - NO BUS FARE
7191	FLL	KIN	DL	167	0	259	NO BUS FARE
7246	HOU	YMQ	AA	244	0	0	YCA 262.30
7265	IND	SEL	DL	527	0	3170	DCA 5170.00
7268	JAX	AUA	DL	349	0	535	NO BUS FARE
7284	LAS	YEA	HP	350	0	0	YCA 355.00
7374	OAJ	FRA	US	355	315	1555	NO YCA - NO XCA - NO BUS FARE
7414	ORF	YTO	DL	400	200	0	YCA 430.00 KCA 215.00
7421	ORL	TYO	UA	335	283	3430	NO UA YCA - NO UA XCA FARE
7426	PDX	YVR	UA	107	83	0	YCA 115.00 - VCA 89.22
7445	PHX	YQB	NW	782	0	0	YCA 840.65
7446	PHX	YTO	AA	268	0	0	YCA 288.10
7466	PVD	TYO	UA	475	300	2570	NO YCA - NO XCA - NO BUS FARE
7494	SAN	HKG	UA	750	575	2890	DCB 2940.00
7513	SAN	YVR	UA	160	116	0	YCA 172.00 - VCA 124.70
7514	SAN	YYJ	AS	439	359	0	YCA 471.92 - BCA 385.92
7517	SAT	BOG	DL	690	0	960	NO BUS FARE
7529	SAT	SEL	DL	637	0	3247	DCA 3347.00
7573	SLC	YEA	HP	300	0	0	YCA 305.00
7574	SLC	YMQ	AA	271	0	0	YCA 291.32
7575	SLC	YTO	AA	269	0	0	YCA 289.17
7576	SLC	YWG	NW	596	0	0	YCA 640.70
7651	WAS	MTY	DL	295	0	863	YCA 317.12 - NO BUS
7660	WAS	RIO	UA	440	395	2700	DCB 2470.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Sabre Error
7672	WAS	YHZ	AA	364	0	0	YCA 412.80
7674	WAS	YVR	UA	204	157	0	YCA 219.30 - VCA 168.77
7675	WAS	YWG	NW	625	0	0	YCA 671.87
7676	WAS	YYC	UA	192	163	0	YCA 206.40 - VCA 175.22
7677	WAS	YYJ	AS	579	429	0	YCA 622.42 - BCA 461.17

6.4 Worldspan

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
25	ABQ	IAH	WN	160	128	0	EXPIRES 02 APR
39	ABQ	PNS	DL	518	381	0	YCA 449.00
52	ABY	DCA	DL	466	426	0	YCA 419.00 - QCA 419.00
55	ABY	IAD	DL	438	398	0	YCA 419.00 - QCA 419.00
109	ANC	ATL	DL	525	425	0	YCA 532.00 - QCA 432.00
111	ANC	BWI	NW	573	383	0	YCA 580.00 - MCA 390.00
113	ANC	DCA	AS	499	379	0	YCA 506.00 - LCA 386.00
120	ANC	IAD	NW	621	348	0	YCA 628.00 - MCA 355.00
122	ANC	MSP	AS	685	419	0	YCA 692.00 - LCA 426.00
124	ANC	ORD	AS	469	339	0	YCA 476.00 - QCA 346.00
128	ANC	SEA	AS	539	0	0	YCA 546.00
129	ANC	SLC	DL	598	498	0	YCA 605.00 - HCA 505.00
155	ATL	CVG	DL	384	319	0	YCA 359.00
178	ATL	HNL	DL	507	407	0	YCA 514.00 - KCA 414.00
331	BDL	SJU	AA	300	266	450	NO BUS FARE
374	BIL	SLC	DL	405	355	0	YCA 389.00
441	BOI	PHX	HP	140	110	0	NO XCA FARE
466	BOS	HNL	DL	364	273	0	YCA 371.00 - KCA 280.00
473	BOS	ISP	AA	196	133	0	NO AA FARE
496	BOS	RIC	AA	169	129	0	EXPIRES 30 APR
503	BOS	SJU	AA	376	334	564	NO BUS FARE
537	BTV	SLC	DL	900	400	0	YCA 499.00
582	BWI	FAI	NW	672	460	0	YCA 679.00 - MCA 467.00
598	BWI	HNL	UA	640	0	0	YCA 647.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
602	BWI	IAH	DL	300	250	0	YCA 269.00
675	BWI	SJU	AA	292	259	438	NO BUS FARE
696	BZN	SLC	DL	405	355	0	YCA 389.00
759	CHS	TUS	DL	505	345	0	YCA 499.00
876	CMI	MHT	NW	529	353	0	YCA 353.00 - NO XCA FARE
879	COS	CVG	DL	500	350	0	YCA 479.00
916	COS	VPS	DL	491	350	0	YCA 449.00
954	CVG	DSM	DL	450	350	0	YCA 379.00
957	CVG	FAT	DL	570	470	0	YCA 499.00
968	CVG	LGA	DL	447	347	0	YCA 439.00
970	CVG	MCI	DL	410	330	0	YCA 379.00
971	CVG	MCO	DL	400	284	0	YCA 359.00
977	CVG	MSY	DL	420	320	0	YCA 409.00
982	CVG	PDX	DL	502	382	0	YCA 488.00
999	CVG	TPA	DL	396	266	0	YCA 359.00
1033	DAY	VPS	NW	351	323	0	YCA 323.00 - NO XCA FARE
1037	DCA	DLH	AA	244	184	0	NO AA FARE
1046	DCA	FAI	AS	549	449	0	YCA 556.00 - LCA 456.00
1049	DCA	FAY	US	330	304	0	MCA 299.00
1067	DCA	HNL	AA	479	249	0	YCA 486.00 - VCA 256.00
1076	DCA	IND	US	343	293	0	YCA 339.00
1099	DCA	MDW	TZ	89	0	349	NO BUS FARE
1116	DCA	MYR	US	343	279	0	HCA 199.00
1138	DCA	RNO	HP	215	161	0	LCA 171.00
1190	DEN	HNL	UA	586	0	0	YCA 593.00
1222	DEN	PHX	HP	130	99	0	YCA 135.00 - KCA 104.00
1250	DFW	HNL	AA	506	321	0	YCA 513.00 - VCA 328.00
1272	DFW	MDW	TZ	199	149	349	NO BUS FARE
1309	DFW	SJU	AA	497	444	745	NO BUS FARE
1326	DSM	MDW	TZ	79	66	349	NO TZ FARE
1336	DTW	HNL	UA	511	0	0	YCA 518.00
1389	ELP	MCI	UA	211	0	0	NO UA YCA - AA YCA

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
							299.00
1427	EWR	HNL	DL	360	240	0	YCA 367.00 - KCA 247.00
1464	EWR	SJU	AA	374	333	561	NO BUS FARE
1468	EWR	STT	AA	384	338	576	NO BUS FARE
1481	EYW	TPA	US	199	0	0	NO US FARE
1485	FAI	MSP	NW	749	499	0	YCA 756.00 - MCA 506.00
1488	FAI	SEA	AS	589	0	0	YCA 596.00
1491	FAT	IAD	HP	270	225	0	NO YCA FARE
1500	FAT	SLC	DL	394	319	0	YCA 369.00
1501	FAY	IAD	US	332	301	0	MCA 299.00
1514	FCA	SLC	DL	418	367	0	YCA 389.00
1527	FLL	SJU	AA	329	292	493	NO BUS FARE
1531	FSD	ORD	AA	244	184	0	NO AA FARE
1538	GEG	IAH	DL	400	205	0	YCA 389.00
1552	GNV	SDF	DL	400	350	0	YCA 389.00
1565	GPT	SAT	CO	228	0	0	YCA 288.00
1586	GTF	SLC	DL	402	352	0	YCA 389.00
1591	HNL	IAD	UA	429	0	0	YCA 436.00
1592	HNL	IAH	CO	701	0	0	YCA 708.00
1594	HNL	JAX	CO	798	0	0	YCA 805.00
1596	HNL	LAS	UA	345	175	0	YCA 352.00 - TDG 182.00
1597	HNL	LAX	UA	200	0	0	YCA 207.00
1599	HNL	MCI	AA	598	299	0	YCA 605.00 - VCA 306.00
1600	HNL	MCO	UA	684	383	0	YCA 691.00 - SCA 390.00
1602	HNL	MSP	NW	623	553	0	YCA 630.00 - BCA 560.00
1603	HNL	MSY	CO	732	0	0	YCA 739.00
1606	HNL	ORD	AA	369	243	0	YCA 376.00 - VCA 250.00
1608	HNL	PDX	UA	195	0	0	YCA 202.00
1609	HNL	PHL	UA	283	0	0	YCA 290.00
1610	HNL	PHX	UA	380	0	0	YCA 387.00
1614	HNL	SAN	UA	295	0	0	YCA 302.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
1616	HNL	SEA	UA	250	0	0	YCA 257.00
1617	HNL	SFO	TZ	409	259	560	YCA 416.00 - KCA 266.00 - NO BUS FARE
1618	HNL	SLC	DL	490	390	0	YCA 497.00 - KCA 397.00
1619	HNL	SMF	UA	232	0	0	YCA 239.00
1620	HNL	SNA	UA	379	0	0	YCA 386.00
1622	HNL	TPA	CO	798	0	0	YCA 805.00
1726	IAD	SJU	AA	215	190	322	NO BUS FARE
1755	IAH	OKC	WN	121	101	0	EXPIRES 30 APR
1781	IAH	TUL	WN	106	85	0	EXPIRES 02 APR
1805	IND	MCO	TZ	135	105	349	NO BUS FARE
1856	JFK	SJU	AA	410	365	615	NO BUS FARE
1858	JFK	STT	AA	415	355	622	NO BUS FARE
1864	KTN	SEA	AS	369	0	0	YCA 376.00
1905	LAX	LIH	AA	305	186	0	YCA 312.00 - VCA 193.00
1908	LAX	MDW	WN	224	158	349	NO BUS FARE
1914	LAX	MLB	DL	500	330	0	YCA 499.00
1920	LAX	OGG	UA	257	0	0	YCA 264.00
1930	LAX	PNS	DL	245	197	0	NO DL FARE
1970	LGA	PWM	AA	164	101	0	NO AA FARE
2448	SAT	SJU	AA	473	422	709	NO BUS FARE
2455	SAT	VPS	NW	353	258	0	YCA 343.00
2484	SJC	TUS	HP	140	70	0	KCA 110.00
2488	SJU	STT	AA	162	122	210	NO BUS FARE
2497	SLC	VPS	DL	490	387	0	YCA 419.00
2508	TPA	VPS	US	199	0	0	NO US FARE
2514	CVG	HNL	DL	695	525	0	YCA 702.00 - KCA 532.00
2518	MCI	SNA	YX	321	293	0	EXPIRES 30 APR
3030	BOS	YOW	CO	251	0	0	YCA 264.00
3035	CHI	BZE	US	499	399	0	YCA 494.00 - HCA 394.00
3042	CHI	YOW	AA	400	250	0	YCA 390.00 - VCA 243.00
3060	DEN	SEL	UA	645	560	1930	NO BUS FARE
2036	MCO	PFN	US	199	0	0	NO US FARE

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
2050	MCO	SJU	AA	309	274	463	NO BUS FARE
2053	MCO	VPS	US	199	0	0	NO US FARE
2066	MDW	MKE	TZ	85	45	349	NO TZ FARE
2067	MDW	MLI	TZ	219	149	349	NO TZ FARE
2068	MDW	MSP	TZ	70	0	349	NO BUS FARE
2119	MIA	SJU	AA	329	292	493	NO BUS FARE
2121	MIA	STT	AA	368	327	552	NO BUS FARE
2123	MIA	TLH	DL	185	165	0	YCA 175.00
2133	MKE	PIT	YX	230	185	0	YCA 225.00
2157	MSO	SLC	DL	410	350	0	YCA 389.00
2217	OGG	SEA	NW	509	340	0	YCA 516.00 - HCA 347.00
2269	ORD	SJU	AA	284	252	426	NO BUS FARE
2328	PFN	TPA	US	199	0	0	NO US FARE
2351	PHL	SYR	US	377	344	0	MCA 339.00
2390	PNS	SAN	DL	500	400	0	NO DL FARE
2393	PNS	TPA	US	249	0	0	NO US FARE
2395	PSC	SLC	DL	420	363	0	YCA 369.00
3061	DEN	TYO	UA	490	310	3000	NO BUS FARE
3079	DTT	TYO	UA	410	300	3000	NO BUS FARE
3108	HNL	TYO	UA	240	185	1775	NO BUS FARE
3117	HOU	PAR	AA	420	276	4026	DDG 3409.00
3125	LAS	SEL	UA	690	575	1810	NO BUS FARE
3145	LAX	SIN	UA	460	335	1960	NO BUS FARE
3146	LAX	SYD	UA	700	460	3450	NO BUS FARE
3154	MEM	TYO	UA	460	275	3100	NO BUS FARE
5419	CAE	TUS	DL	519	0	0	YCA 499.00
6453	ONT	SAV	DL	535	0	0	YCA 499.00
3163	MIA	CUR	AA	414	269	621	NO AA FARE
3219	NYC	NSI	AA	123 0	775	2269	NO AA FARE
3235	NYC	YOW	CO	338	0	0	NO CO FARE
3236	NYC	YTO	AA	170	129	0	YCA 138.00
3258	PDX	SEL	UA	400	305	1530	NO BUS FARE
3273	PHX	SEL	UA	620	425	1595	NO BUS FARE
3274	PHX	TYO	UA	430	285	2440	NO BUS FARE
3296	SEA	HKG	UA	595	450	2700	NO BUS FARE

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
3305	SEA	SEL	UA	410	305	1575	NO BUS FARE
3306	SEA	SYD	UA	800	700	3600	NO BUS FARE
3307	SEA	TYO	UA	310	195	2380	NO BUS FARE
3321	SFO	SIN	UA	550	415	1970	NO BUS FARE
3322	SFO	TYO	UA	340	230	2380	NO BUS FARE
3354	SLC	TYO	UA	410	230	2460	NO BUS FARE
3402	WAS	BZE	US	413	313	0	YCA 418.00 - HCA 318.00
3454	WAS	MBJ	DL	323	0	403	NO BUS FARE
3517	ATL	SCL	DL	680	0	1360	NO BUS FARE
3525	DTT	OSA	UA	350	225	2590	NO BUS FARE
3531	HNL	OSA	UA	400	270	1875	NO BUS FARE
3538	HOU	YTO	UA	222	188	0	NO UA FARE
3554	SFO	OSA	UA	685	465	2700	NO BUS FARE
5034	ABQ	RAP	DL	500	0	0	YCA 419.00
5036	ABQ	RIC	DL	500	0	0	YCA 499.00
5044	ABY	ILM	DL	395	0	0	YCA 389.00
5077	AGS	EWR	CO	168	0	0	NO YCA FARE
5107	ALB	LIT	DL	488	0	0	YCA 419.00
5121	ANC	BOI	AS	589	0	0	YCA 596.00
5122	ANC	BOS	DL	640	0	0	YCA 647.00
5128	ANC	DEN	AS	459	0	0	YCA 466.00
5129	ANC	DFW	AA	320	0	0	YCA 327.00
5130	ANC	DTW	NW	713	0	0	YCA 720.00
5131	ANC	EWR	DL	550	0	0	YCA 557.00
5132	ANC	GEG	AS	589	0	0	YCA 596.00
5135	ANC	IAH	NW	609	0	0	YCA 616.00
5137	ANC	LAS	AS	619	0	0	YCA 626.00
5138	ANC	LAX	AS	477	0	0	YCA 484.00
5140	ANC	MCI	NW	554	0	0	YCA 561.00
5141	ANC	MCO	AS	559	0	0	YCA 566.00
5142	ANC	MEM	NW	625	0	0	YCA 632.00
5146	ANC	OAK	AS	599	0	0	YCA 606.00
5148	ANC	ONT	AS	629	0	0	YCA 636.00
5150	ANC	PDX	AS	579	0	0	YCA 586.00
5151	ANC	PHL	NW	617	0	0	YCA 624.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
5152	ANC	PHX	DL	599	0	0	YCA 606.00
5155	ANC	SAN	AS	629	0	0	YCA 636.00
5157	ANC	SFO	AS	599	0	0	YCA 606.00
5159	ANC	SMF	AS	599	0	0	YCA 606.00
5160	ANC	STL	AS	649	0	0	YCA 656.00
5171	ATL	FSD	AA	151	0	0	NO AA FARE
5246	BHM	HNL	CO	757	0	0	YCA 764.00
5281	BNA	HNL	CO	752	0	0	YCA 759.00
5467	CLE	HNL	NW	676	0	0	YCA 683.00
5478	CLT	HNL	CO	787	0	0	YCA 794.00
5489	CMH	HNL	AA	286	0	0	YCA 293.00
5561	CSG	JAN	DL	400	0	0	YCA 389.00
5563	CSG	LAX	DL	535	0	0	YCA 499.00
5580	CSG	SLC	DL	469	0	0	YCA 449.00
5590	DAY	HNL	TZ	461	0	649	NO TZ FARE
5600	DAY	ONT	DL	525	0	0	YCA 499.00
5617	DEN	FAI	NW	626	0	0	YCA 633.00
5649	DEN	VPS	DL	473	0	0	YCA 419.00
5653	DFW	FAI	AS	699	0	0	YCA 706.00
5684	DLH	ORD	AA	299	0	0	NO AA FARE
5787	FAI	ORD	AS	699	0	0	YCA 706.00
5802	FAT	HNL	UA	575	0	0	YCA 582.00
5816	FAY	JAN	DL	422	0	0	YCA 389.00
5858	FSD	STL	AA	367	0	0	NO AA FARE
5873	GEG	RDU	HP	255	0	0	NO HP FARE
5902	GPT	SEA	DL	590	0	0	YCA 499.00
5904	GPT	SLC	DL	570	0	0	YCA 449.00
5921	HNL	IND	TZ	579	0	649	YCA 586.00 - NO BUS FARE
5923	HNL	JFK	DL	559	0	0	YCA 566.00
5925	HNL	LGA	DL	500	0	0	YCA 507.00
5930	HNL	MIA	AA	605	0	0	YCA 612.00
5933	HNL	MRY	UA	515	0	0	YCA 522.00
5937	HNL	ONT	UA	280	0	0	YCA 287.00
5942	HNL	PSP	UA	249	0	0	YCA 256.00
5944	HNL	RDU	CO	807	0	0	YCA 814.00

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
5945	HNL	RNO	UA	696	0	0	YCA 703.00
5947	HNL	SBP	UA	571	0	0	YCA 578.00
5950	HNL	SJC	AA	526	0	0	YCA 533.00
5976	HSV	OKC	DL	145	0	0	NO DL YCA FARE
5998	IAH	PHF	DL	550	0	0	YCA 479.00
6049	IND	SFO	TZ	115	0	349	NO BUS FARE
6094	JAX	ONT	DL	659	0	0	YCA 499.00
6109	JAX	TUS	DL	600	0	0	YCA 449.00
6118	LAS	LGA	TZ	161	0	349	NO BUS FARE
6122	LAS	PFN	DL	520	0	0	YCA 449.00
6180	LGA	PHX	TZ	119	0	349	NO BUS FARE
6251	MCO	MLI	TZ	108	0	349	NO TZ FARE
6282	MEI	ORF	DL	457	0	0	YCA 419.00
6298	MGM	SEA	DL	540	0	0	YCA 499.00
6309	MIA	PNS	US	300	0	0	NO US FARE
6339	MOB	SAN	DL	540	0	0	YCA 499.00
6345	MOB	TPA	DL	300	0	0	YCA 289.00
6370	MSP	VPS	DL	514	0	0	YCA 499.00
6485	PBI	SEA	DL	520	0	0	YCA 499.00
6503	PFN	SLC	DL	424	0	0	YCA 419.00
6509	PHF	SEA	DL	644	0	0	YCA 499.00
6558	PWM	STL	AA	237	0	0	NO AA FARE
6626	SDF	SWF	DL	201	0	0	NO DL FARE
6636	SEA	TLH	DL	529	0	0	YCA 499.00
6647	SHV	SYR	DL	433	0	0	YCA 419.00
6651	SJU	SYR	US	316	0	0	NO YCA FARE
6653	SJU	VPS	DL	373	0	743	NO DL FARE
7090	CHI	OSA	UA	420	290	3100	NO BUS FARE
7092	CHI	SIN	UA	795	430	2395	NO BUS FARE
7121	COS	TYO	UA	560	300	3151	NO BUS FARE
7136	CVG	SEL	DL	499	0	3313	DCA 3314.00
7150	DFW	OSA	UA	560	420	3110	NO BUS FARE
7154	DHN	BOG	DL	650	0	820	NO BUS FARE
7169	EWN	FRA	US	355	315	1555	NO YCA - NO XCA - NO BUS FARE
7191	FLL	KIN	DL	167	0	259	NO BUS FARE

Item	Origin	Destination	Airline	YCA Fare	XCA Fare	Business Fare	Worldspan Error
7213	HAR	TYO	UA	425	260	3295	NO BUS FARE
7265	IND	SEL	DL	527	0	3170	DCA 5170.00
7268	JAX	AUA	DL	349	0	535	NO BUS FARE
7284	LAS	YEA	HP	350	0	0	YCA 355.00
7295	LAX	MEL	UA	773	654	3600	NO BUS FARE
7300	LAX	OSA	UA	600	360	2475	NO BUS FARE
7356	MSY	SEL	UA	650	490	2020	NO BUS FARE
7374	OAJ	FRA	US	355	315	1555	NO YCA - NO XCA - NO BUS FARE
7381	OKC	TYO	UA	590	320	3220	NO BUS FARE
7385	OMA	TYO	UA	450	270	3220	NO BUS FARE
7421	ORL	TYO	UA	335	283	3430	NO YCA - NO XCA - SDG 335.00
7442	PHX	OSA	UA	695	490	2538	NO BUS FARE
7466	PVD	TYO	UA	475	300	2570	NO YCA - NO XCA - NO BUS FARE
7494	SAN	HKG	UA	750	575	2890	NO BUS FARE
7501	SAN	OSA	UA	590	350	2510	NO BUS FARE
7510	SAN	SYD	UA	794	672	3525	NO BUS FARE
7517	SAT	BOG	DL	690	0	960	NO BUS FARE
7529	SAT	SEL	DL	637	0	3247	DCA 3347.00
7550	SEA	OSA	UA	750	550	2475	NO BUS FARE
7573	SLC	YEA	HP	300	0	0	YCA 305.00
7581	SMF	TYO	UA	660	460	2560	NO BUS FARE
7651	WAS	MTY	DL	295	0	863	NO BUS FARE
7656	WAS	OSA	UA	385	250	3238	NO BUS FARE
7660	WAS	RIO	UA	440	395	2700	DCB 2470.00
7663	WAS	SHA	UA	710	460	2890	NO BUS FARE
7672	WAS	YHZ	AA	364	0	0	YCA 384.00

7.0 Rules Audit Exceptions

The following table portrays audit-derived rules data errors specific to routing restrictions that occurred uniformly in all systems and provide added examples of the error-types and conditions described in the prior section.

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
3	ABI	DFW	AA	51	TRAVEL MUST BE NONSTOP
160	ATL	DFW	AA	15	TRAVEL MUST BE NONSTOP
273	AUS	DFW	AA	1	TRAVEL MUST BE NONSTOP
280	AUS	LFT	CO	19	TRAVEL MUST NOT BE NONSTOP
300	AVP	ORD	UA	94	TRAVEL MUST BE NONSTOP
309	AZO	ORD	AA	94	TRAVEL MUST BE NONSTOP
312	BDL	CLE	CO	451	TRAVEL MUST BE NONSTOP
335	BFL	LAX	UA	1	TRAVEL MUST BE NONSTOP
351	BHM	DFW	AA	1	TRAVEL MUST BE NONSTOP
368	BIL	DEN	UA	1	TRAVEL MUST BE NONSTOP
377	BIS	DEN	UA	1	TRAVEL MUST BE NONSTOP
383	BMI	ORD	AA	94	TRAVEL MUST BE NONSTOP
392	BNA	EWR	CO	651	TRAVEL MUST BE NONSTOP
405	BNA	MCI	WN	5	TRAVEL MUST BE NONSTOP
426	BOI	DEN	UA	100	TRAVEL MUST BE NONSTOP
440	BOI	PDX	WN	5	TRAVEL MUST BE NONSTOP
444	BOI	SFO	UA	89	TRAVEL MUST BE NONSTOP
450	BOS	BWI	FL	11	TRAVEL MUST BE NONSTOP
453	BOS	CLE	CO	451	TRAVEL MUST BE NONSTOP
464	BOS	EWR	AA	86	TRAVEL MUST BE NONSTOP
474	BOS	JFK	AA	84	TRAVEL MUST BE NONSTOP
477	BOS	LGA	US	4	TRAVEL MUST BE NONSTOP
488	BOS	ORF	AA	84	TRAVEL MUST BE NONSTOP
490	BOS	PHL	US	1	TRAVEL MUST BE NONSTOP
496	BOS	RIC	AA	84	TRAVEL MUST BE NONSTOP
517	BRO	DCA	CO	6	TRAVEL MUST NOT BE NONSTOP
524	BTR	DFW	AA	51	TRAVEL MUST BE NONSTOP
532	BTV	EWR	CO	651	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
541	BUF	DTW	NW	100	TRAVEL MUST BE NONSTOP
542	BUF	EWB	CO	651	TRAVEL MUST BE NONSTOP
555	BUR	PHX	WN	5	TRAVEL MUST BE NONSTOP
557	BUR	SFO	UA	89	TRAVEL MUST BE NONSTOP
562	BWI	CLE	WN	5	TRAVEL MUST BE NONSTOP
564	BWI	CMH	WN	5	TRAVEL MUST BE NONSTOP
571	BWI	DAY	FL	11	TRAVEL MUST BE NONSTOP
577	BWI	DTW	NW	100	TRAVEL MUST BE NONSTOP
580	BWI	EWB	CO	651	TRAVEL MUST BE NONSTOP
596	BWI	GSO	US	306	TRAVEL MUST NOT BE NONSTOP*
627	BWI	MHT	WN	5	TRAVEL MUST BE NONSTOP
644	BWI	ORD	UA	499	TRAVEL MUST BE NONSTOP
650	BWI	PHL	US	1	TRAVEL MUST BE NONSTOP
657	BWI	PVD	WN	5	TRAVEL MUST BE NONSTOP
663	BWI	ROC	FL	10	TRAVEL MUST BE NONSTOP
693	BZN	DEN	UA	1	TRAVEL MUST BE NONSTOP
697	CAE	CLT	US	1	TRAVEL MUST BE NONSTOP
728	CAK	ORD	UA	94	TRAVEL MUST BE NONSTOP
733	CHA	ORD	AA	94	TRAVEL MUST BE NONSTOP
735	CHS	CLT	US	1	TRAVEL MUST BE NONSTOP
740	CHS	EWB	CO	622	TRAVEL MUST NOT BE NONSTOP*
766	CLE	DCA	CO	451	TRAVEL MUST BE NONSTOP
769	CLE	DTW	NW	100	TRAVEL MUST BE NONSTOP
770	CLE	EWB	CO	651	TRAVEL MUST BE NONSTOP
771	CLE	IAD	UA	1	TRAVEL MUST BE NONSTOP
772	CLE	IAH	CO	824	TRAVEL MUST NOT BE NONSTOP*
773	CLE	IND	CO	451	TRAVEL MUST BE NONSTOP
776	CLE	LGA	AA	84	TRAVEL MUST BE NONSTOP
779	CLE	MDT	CO	451	TRAVEL MUST BE NONSTOP
780	CLE	MDW	WN	5	TRAVEL MUST BE NONSTOP
790	CLE	PVD	CO	451	TRAVEL MUST BE NONSTOP
791	CLE	RDU	CO	451	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
792	CLE	RIC	CO	422	TRAVEL MUST NOT BE NONSTOP*
795	CLE	SDF	CO	451	TRAVEL MUST BE NONSTOP
808	CLT	DTW	NW	100	TRAVEL MUST BE NONSTOP
811	CLT	FAY	US	1	TRAVEL MUST BE NONSTOP
814	CLT	IAD	UA	1	TRAVEL MUST BE NONSTOP
826	CLT	MEM	NW	100	TRAVEL MUST BE NONSTOP
828	CLT	MIA	AA	1	TRAVEL MUST BE NONSTOP
841	CLT	RDU	US	1	TRAVEL MUST BE NONSTOP
854	CMH	DTW	NW	100	TRAVEL MUST BE NONSTOP
855	CMH	EWR	CO	651	TRAVEL MUST BE NONSTOP
861	CMH	LGA	AA	84	TRAVEL MUST BE NONSTOP
882	COS	DEN	UA	100	TRAVEL MUST BE NONSTOP
898	COS	MSP	NW	100	TRAVEL MUST BE NONSTOP
918	CPR	DEN	UA	1	TRAVEL MUST BE NONSTOP
922	CRP	DFW	AA	51	TRAVEL MUST BE NONSTOP
925	CRP	HOU	WN	5	TRAVEL MUST BE NONSTOP
926	CRP	HSV	CO	19	TRAVEL MUST NOT BE NONSTOP
933	CRP	PNS	CO	25	TRAVEL MUST NOT BE NONSTOP
980	CVG	ORD	AA	94	TRAVEL MUST BE NONSTOP
1,004	DAL	LIT	WN	5	TRAVEL MUST BE NONSTOP
1,005	DAL	OKC	WN	5	TRAVEL MUST BE NONSTOP
1,006	DAL	SAT	WN	5	TRAVEL MUST BE NONSTOP
1,010	DAY	EWR	CO	651	TRAVEL MUST BE NONSTOP
1,021	DAY	ORD	AA	94	TRAVEL MUST BE NONSTOP
1,039	DCA	DTW	NW	100	TRAVEL MUST BE NONSTOP
1,044	DCA	EWR	CO	651	TRAVEL MUST BE NONSTOP
1,085	DCA	LAX	AS	4	TRAVEL MUST BE NONSTOP
1,089	DCA	LGA	US	4	TRAVEL MUST BE NONSTOP
1,092	DCA	LRD	CO	6	TRAVEL MUST NOT BE NONSTOP
1,099	DCA	MDW	TZ	2	TRAVEL MUST BE NONSTOP
1,123	DCA	ORF	US	1	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
1,127	DCA	PHL	US	1	TRAVEL MUST BE NONSTOP
1,137	DCA	RDU	AA	84	TRAVEL MUST BE NONSTOP
1,182	DEN	ELP	UA	1	TRAVEL MUST BE NONSTOP
1,184	DEN	FAR	UA	1	TRAVEL MUST BE NONSTOP
1,198	DEN	LAS	UA	100	TRAVEL MUST BE NONSTOP
1,210	DEN	MSO	UA	1	TRAVEL MUST BE NONSTOP
1,243	DFW	ELP	AA	1	TRAVEL MUST BE NONSTOP
1,248	DFW	FSM	AA	51	TRAVEL MUST BE NONSTOP
1,251	DFW	HOU	AA	1	TRAVEL MUST BE NONSTOP
1,252	DFW	HSV	AA	1	TRAVEL MUST BE NONSTOP
1,254	DFW	IAH	AA	1	TRAVEL MUST BE NONSTOP
1,255	DFW	ICT	AA	1	TRAVEL MUST BE NONSTOP
1,256	DFW	ILE	AA	51	TRAVEL MUST BE NONSTOP
1,258	DFW	JAN	AA	51	TRAVEL MUST BE NONSTOP
1,260	DFW	LAS	AA	1	TRAVEL MUST BE NONSTOP
1,261	DFW	LAW	AA	51	TRAVEL MUST BE NONSTOP
1,263	DFW	LBB	AA	51	TRAVEL MUST BE NONSTOP
1,265	DFW	LFT	CO	19	TRAVEL MUST NOT BE NONSTOP
1,267	DFW	LIT	AA	51	TRAVEL MUST BE NONSTOP
1,268	DFW	LRD	AA	51	TRAVEL MUST BE NONSTOP
1,269	DFW	MAF	AA	51	TRAVEL MUST BE NONSTOP
1,270	DFW	MCI	AA	1	TRAVEL MUST BE NONSTOP
1,272	DFW	MDW	TZ	2	TRAVEL MUST BE NONSTOP
1,274	DFW	MFE	AA	1	TRAVEL MUST BE NONSTOP
1,284	DFW	MSY	AA	1	TRAVEL MUST BE NONSTOP
1,286	DFW	OKC	AA	1	TRAVEL MUST BE NONSTOP
1,287	DFW	OMA	AA	1	TRAVEL MUST BE NONSTOP
1,289	DFW	ORD	UA	1	TRAVEL MUST BE NONSTOP
1,295	DFW	PNS	AA	75	TRAVEL MUST BE NONSTOP
1,300	DFW	SAT	AA	1	TRAVEL MUST BE NONSTOP
1,305	DFW	SGF	AA	51	TRAVEL MUST BE NONSTOP
1,306	DFW	SHV	AA	51	TRAVEL MUST BE NONSTOP
1,308	DFW	SJT	AA	51	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
1,312	DFW	SNA	AA	15	TRAVEL MUST BE NONSTOP
1,313	DFW	SPS	AA	51	TRAVEL MUST BE NONSTOP
1,314	DFW	STL	AA	1	TRAVEL MUST BE NONSTOP
1,316	DFW	TUL	AA	1	TRAVEL MUST BE NONSTOP
1,317	DFW	TUS	AA	1	TRAVEL MUST BE NONSTOP
1,318	DFW	TXK	AA	51	TRAVEL MUST BE NONSTOP
1,321	DFW	XNA	AA	1	TRAVEL MUST BE NONSTOP
1,324	DLH	MSP	NW	100	TRAVEL MUST BE NONSTOP
1,327	DSM	MSP	NW	100	TRAVEL MUST BE NONSTOP
1,333	DTW	EWR	NW	100	TRAVEL MUST BE NONSTOP
1,335	DTW	GRB	NW	100	TRAVEL MUST BE NONSTOP
1,340	DTW	IND	NW	100	TRAVEL MUST BE NONSTOP
1,343	DTW	LAN	NW	100	TRAVEL MUST BE NONSTOP
1,346	DTW	LGA	AA	84	TRAVEL MUST BE NONSTOP
1,351	DTW	MDW	WN	5	TRAVEL MUST BE NONSTOP
1,352	DTW	MEM	NW	100	TRAVEL MUST BE NONSTOP
1,354	DTW	MKE	NW	100	TRAVEL MUST BE NONSTOP
1,357	DTW	MSP	NW	100	TRAVEL MUST BE NONSTOP
1,359	DTW	ORD	AA	1	TRAVEL MUST BE NONSTOP
1,364	DTW	PIT	US	350	TRAVEL MUST BE NONSTOP
1,366	DTW	RDU	NW	100	TRAVEL MUST BE NONSTOP
1,394	ELP	SAT	WN	73	TRAVEL MUST BE NONSTOP
1,401	EUG	PDX	UA	1	TRAVEL MUST BE NONSTOP
1,425	EWR	FLL	CO	621	TRAVEL MUST NOT BE NONSTOP*
1,428	EWR	HSV	CO	623	TRAVEL MUST NOT BE NONSTOP*
1,432	EWR	IND	CO	624	TRAVEL MUST NOT BE NONSTOP*
1,439	EWR	MHT	CO	651	TRAVEL MUST BE NONSTOP
1,446	EWR	ORD	AA	1	TRAVEL MUST BE NONSTOP
1,447	EWR	ORF	CO	651	TRAVEL MUST BE NONSTOP
1,452	EWR	PVD	CO	651	TRAVEL MUST BE NONSTOP
1,453	EWR	PWM	CO	651	TRAVEL MUST BE NONSTOP
1,454	EWR	RDU	AA	84	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
1,455	EWR	RIC	CO	651	TRAVEL MUST BE NONSTOP
1,456	EWR	ROC	CO	651	TRAVEL MUST BE NONSTOP
1,459	EWR	SAV	CO	622	TRAVEL MUST NOT BE NONSTOP
1,460	EWR	SDF	CO	624	TRAVEL MUST NOT BE NONSTOP*
1,470	EWR	SYR	CO	651	TRAVEL MUST BE NONSTOP
1,474	EWR	TYS	CO	625	TRAVEL MUST NOT BE NONSTOP*
1,479	EYW	MIA	AA	75	TRAVEL MUST BE NONSTOP
1,489	FAR	MSP	NW	100	TRAVEL MUST BE NONSTOP
1,490	FAR	ORD	UA	94	TRAVEL MUST BE NONSTOP
1,492	FAT	LAS	UA	91	TRAVEL MUST BE NONSTOP
1,493	FAT	LAX	UA	1	TRAVEL MUST BE NONSTOP
1,499	FAT	SFO	UA	1	TRAVEL MUST BE NONSTOP
1,516	FLL	IAH	CO	821	TRAVEL MUST NOT BE NONSTOP
1,530	FSD	MSP	NW	100	TRAVEL MUST BE NONSTOP
1,535	FWA	ORD	AA	94	TRAVEL MUST BE NONSTOP
1,543	GEG	PDX	WN	5	TRAVEL MUST BE NONSTOP
1,550	GFK	MSP	NW	100	TRAVEL MUST BE NONSTOP
1,564	GPT	SAN	CO	6	TRAVEL MUST NOT BE NONSTOP
1,565	GPT	SAT	CO	19	TRAVEL MUST NOT BE NONSTOP
1,569	GRB	MSP	NW	100	TRAVEL MUST BE NONSTOP
1,570	GRB	ORD	AA	94	TRAVEL MUST BE NONSTOP
1,574	GRR	ORD	UA	1	TRAVEL MUST BE NONSTOP
1,592	HNL	IAH	CO	10	TRAVEL MUST NOT BE NONSTOP
1,594	HNL	JAX	CO	14	TRAVEL MUST NOT BE NONSTOP
1,603	HNL	MSY	CO	14	TRAVEL MUST NOT BE NONSTOP
1,622	HNL	TPA	CO	14	TRAVEL MUST NOT BE NONSTOP
1,629	HOU	JAN	WN	5	TRAVEL MUST BE NONSTOP
1,634	HOU	MSY	WN	5	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
1,638	HOU	SAT	WN	5	TRAVEL MUST BE NONSTOP
1,641	HOU	STL	WN	73	TRAVEL MUST BE NONSTOP
1,644	HSV	IAH	CO	822	TRAVEL MUST NOT BE NONSTOP
1,694	IAD	ORD	AA	1	TRAVEL MUST BE NONSTOP
1,741	IAH	JAX	CO	821	TRAVEL MUST NOT BE NONSTOP
1,771	IAH	SDF	CO	825	TRAVEL MUST NOT BE NONSTOP
1,780	IAH	TPA	CO	821	TRAVEL MUST NOT BE NONSTOP
1,805	IND	MCO	TZ	2	TRAVEL MUST BE NONSTOP
1,806	IND	MDW	WN	5	TRAVEL MUST BE NONSTOP
1,811	IND	ORD	UA	1	TRAVEL MUST BE NONSTOP
1,819	IND	STL	AA	1	TRAVEL MUST BE NONSTOP
1,821	IYK	LAX	UA	1	TRAVEL MUST BE NONSTOP
1,831	JAX	MIA	AA	75	TRAVEL MUST BE NONSTOP
1,845	JAX	TPA	WN	5	TRAVEL MUST BE NONSTOP
1,866	LAN	ORD	UA	1	TRAVEL MUST BE NONSTOP
1,867	LAS	LAX	WN	5	TRAVEL MUST BE NONSTOP
1,885	LAS	PHX	WN	5	TRAVEL MUST BE NONSTOP
1,888	LAS	RNO	WN	5	TRAVEL MUST BE NONSTOP
1,895	LAS	SLC	WN	5	TRAVEL MUST BE NONSTOP
1,919	LAX	OAK	WN	5	TRAVEL MUST BE NONSTOP
1,922	LAX	ONT	UA	1	TRAVEL MUST BE NONSTOP
1,925	LAX	OXR	UA	1	TRAVEL MUST BE NONSTOP
1,928	LAX	PHX	WN	5	TRAVEL MUST BE NONSTOP
1,931	LAX	PSP	UA	89	TRAVEL MUST BE NONSTOP
1,935	LAX	SAN	UA	89	TRAVEL MUST BE NONSTOP
1,937	LAX	SBA	UA	1	TRAVEL MUST BE NONSTOP
1,938	LAX	SBP	UA	1	TRAVEL MUST BE NONSTOP
1,941	LAX	SFO	UA	89	TRAVEL MUST BE NONSTOP
1,942	LAX	SJC	WN	5	TRAVEL MUST BE NONSTOP
1,944	LAX	SMF	WN	5	TRAVEL MUST BE NONSTOP
1,945	LAX	SMX	UA	1	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
1,948	LAX	TUS	WN	5	TRAVEL MUST BE NONSTOP
1,967	LGA	PHL	US	350	TRAVEL MUST BE NONSTOP
1,989	LIT	STL	WN	5	TRAVEL MUST BE NONSTOP
1,994	LSE	MSP	NW	100	TRAVEL MUST BE NONSTOP
1,995	LSE	ORD	AA	94	TRAVEL MUST BE NONSTOP
2,000	MCI	MDW	WN	73	TRAVEL MUST BE NONSTOP
2,007	MCI	OKC	WN	5	TRAVEL MUST BE NONSTOP
2,010	MCI	ORD	UA	1	TRAVEL MUST BE NONSTOP
2,025	MCI	STL	WN	5	TRAVEL MUST BE NONSTOP
2,035	MCO	ORF	WN	5	TRAVEL MUST BE NONSTOP
2,054	MDT	ORD	AA	94	TRAVEL MUST BE NONSTOP
2,068	MDW	MSP	TZ	2	TRAVEL MUST BE NONSTOP
2,074	MEM	MSP	NW	100	TRAVEL MUST BE NONSTOP
2,089	MEM	STL	NW	100	TRAVEL MUST BE NONSTOP
2,094	MFR	SFO	UA	89	TRAVEL MUST BE NONSTOP
2,104	MHT	PHL	WN	5	TRAVEL MUST BE NONSTOP
2,108	MIA	MSY	AA	1	TRAVEL MUST BE NONSTOP
2,115	MIA	RDU	AA	1	TRAVEL MUST BE NONSTOP
2,130	MKE	ORD	AA	94	TRAVEL MUST BE NONSTOP
2,141	MLI	ORD	AA	94	TRAVEL MUST BE NONSTOP
2,151	MRY	SFO	UA	1	TRAVEL MUST BE NONSTOP
2,152	MSN	MSP	NW	100	TRAVEL MUST BE NONSTOP
2,153	MSN	ORD	AA	94	TRAVEL MUST BE NONSTOP
2,162	MSP	OMA	NW	100	TRAVEL MUST BE NONSTOP
2,211	OAK	RNO	WN	5	TRAVEL MUST BE NONSTOP
2,212	OAK	SAN	WN	5	TRAVEL MUST BE NONSTOP
2,222	OKC	PHX	WN	5	TRAVEL MUST BE NONSTOP
2,240	ONT	PHX	WN	5	TRAVEL MUST BE NONSTOP
2,248	ORD	PHL	AA	1	TRAVEL MUST BE NONSTOP
2,250	ORD	PIA	AA	94	TRAVEL MUST BE NONSTOP
2,257	ORD	RIC	AA	94	TRAVEL MUST BE NONSTOP
2,259	ORD	ROC	AA	94	TRAVEL MUST BE NONSTOP
2,263	ORD	SDF	AA	94	TRAVEL MUST BE NONSTOP
2,266	ORD	SGF	UA	94	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
2,273	ORD	SPI	UA	1	TRAVEL MUST BE NONSTOP
2,274	ORD	STL	AA	1	TRAVEL MUST BE NONSTOP
2,276	ORD	TOL	AA	94	TRAVEL MUST BE NONSTOP
2,280	ORD	TVC	AA	94	TRAVEL MUST BE NONSTOP
2,281	ORD	TYS	AA	94	TRAVEL MUST BE NONSTOP
2,290	ORF	RDU	US	300	TRAVEL MUST BE NONSTOP
2,316	PDX	RDM	UA	1	TRAVEL MUST BE NONSTOP
2,319	PDX	SEA	UA	1	TRAVEL MUST BE NONSTOP
2,334	PHL	PIT	US	1	TRAVEL MUST BE NONSTOP
2,336	PHL	PVD	WN	5	TRAVEL MUST BE NONSTOP
2,338	PHL	RDU	WN	5	TRAVEL MUST BE NONSTOP
2,359	PHX	SAN	WN	5	TRAVEL MUST BE NONSTOP
2,391	PNS	SAT	CO	25	TRAVEL MUST NOT BE NONSTOP
2,426	RNO	SFO	UA	89	TRAVEL MUST BE NONSTOP
2,427	RNO	SJC	WN	73	TRAVEL MUST BE NONSTOP
2,435	SAN	SJC	WN	5	TRAVEL MUST BE NONSTOP
2,437	SAN	SMF	WN	5	TRAVEL MUST BE NONSTOP
2,440	SAN	TUS	WN	5	TRAVEL MUST BE NONSTOP
2,460	SDF	STL	WN	5	TRAVEL MUST BE NONSTOP
2,481	SJC	SNA	WN	5	TRAVEL MUST BE NONSTOP
2,510	TUS	VPS	CO	25	TRAVEL MUST NOT BE NONSTOP
2,515	DFW	GPT	CO	19	TRAVEL MUST NOT BE NONSTOP
3,016	ATL	TGU	CO	0	TRAVEL MUST NOT BE NONSTOP
3,030	BOS	YOW	CO	106	TRAVEL MUST NOT BE NONSTOP
3,043	CHI	YTO	UA	1	TRAVEL MUST BE NONSTOP
3,131	LAX	BZE	CO	0	TRAVEL MUST NOT BE NONSTOP
3,147	LAX	TGU	CO	0	TRAVEL MUST NOT BE NONSTOP
3,223	NYC	SAL	CO	0	TRAVEL MUST NOT BE NONSTOP
3,236	NYC	YTO	AA	1	TRAVEL MUST BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
3,309	SEA	YVR	UA	1	TRAVEL MUST BE NONSTOP
3,349	SLC	BZE	CO	1	TRAVEL MUST NOT BE NONSTOP
3,548	NYC	YQB	CO	1	TRAVEL MUST NOT BE NONSTOP
5,018	ABQ	GPT	CO	1	TRAVEL MUST NOT BE NONSTOP
5,055	AEX	LAS	CO	1	TRAVEL MUST NOT BE NONSTOP
5,059	AEX	OKC	CO	1	TRAVEL MUST NOT BE NONSTOP
5,064	AEX	SAT	CO	1	TRAVEL MUST NOT BE NONSTOP
5,246	BHM	HNL	CO	1	TRAVEL MUST NOT BE NONSTOP
5,281	BNA	HNL	CO	1	TRAVEL MUST NOT BE NONSTOP
5,478	CLT	HNL	CO	1	TRAVEL MUST NOT BE NONSTOP
5,510	COS	GPT	CO	1	TRAVEL MUST NOT BE NONSTOP
5,537	CRP	ELP	CO	1	TRAVEL MUST NOT BE NONSTOP
5,716	ELP	GPT	CO	1	TRAVEL MUST NOT BE NONSTOP
5,721	ELP	JAX	CO	1	TRAVEL MUST NOT BE NONSTOP
5,889	GPT	LAS	CO	1	TRAVEL MUST NOT BE NONSTOP
5,898	GPT	PHX	CO	1	TRAVEL MUST NOT BE NONSTOP
5,905	GPT	SMF	CO	1	TRAVEL MUST NOT BE NONSTOP
5,908	GPT	TUS	CO	1	TRAVEL MUST NOT BE NONSTOP
5,944	HNL	RDU	CO	1	TRAVEL MUST NOT BE NONSTOP
5,978	HSV	ONT	CO	1	TRAVEL MUST NOT BE NONSTOP
5,983	HSV	RNO	CO	1	TRAVEL MUST NOT BE NONSTOP
6,070	JAN	PDX	CO	1	TRAVEL MUST NOT BE NONSTOP

Item #	City Code	City Code	Contract Carrier	Rules #	Routing Requirement
6,082	JAN	SMF	CO	1	TRAVEL MUST NOT BE NONSTOP
6,101	JAX	RNO	CO	1	TRAVEL MUST NOT BE NONSTOP
6,193	LIT	ORD	AA	1	TRAVEL MUST BE NONSTOP
6,311	MIA	RIC	AA	1	TRAVEL MUST BE NONSTOP
6,381	MSY	RNO	CO	1	TRAVEL MUST NOT BE NONSTOP
6,449	ONT	PNS	CO	1	TRAVEL MUST NOT BE NONSTOP
6,452	ONT	RIC	CO	1	TRAVEL MUST NOT BE NONSTOP
6,488	PDX	PNS	CO	1	TRAVEL MUST NOT BE NONSTOP
6,584	RIC	TUS	CO	1	TRAVEL MUST NOT BE NONSTOP
5,077	AGS	EWR	CO	1	TRAVEL MUST NOT BE NONSTOP

* Rules appear to be contradictory in fare quote displays

8.0 Implications for the City Pair Program

The data illustrate that, while representation of the Government's City Pair Program (CPP) is reasonably accurate and complete within the four GDS audited, there remain significant variances between the specifications of the CPP and the GDS data. These variances are attributable to data errors, presentation inconsistencies, and contract conformity issues. The latter may be caused either by disagreement or misunderstanding of contract language or specifications, or conceivably may represent a desire on the part of some vendors to move away from the delivery of services as specified by their awards for operational or other business reasons.

In order to protect the integrity of the CPP, as well as encourage overall vendor compliance with the terms of the program and protect the Government's financial interest, it is important to enhance the quality of GDS data presentation and undertake steps to resolve variances.

It is important to recognize that such variances are rarely caused by one-time events and appear to be systemic in many cases, as evidenced by the data. For instance, data inconsistencies resulting from transmission anomalies or out of sync conditions with source documents may be resolved simply by correcting affected records, however the audit reveals widespread repetition of similar errors, which substantially enhances the likelihood that similar errors will recur unless their causes are eliminated.

Moreover, to the degree contractual issues affect vendor data presentations, the CPP will not be able to verify compliance without continual auditing. We strongly recommend that continual, periodic auditing is an essential part of quality control, compliance verification, and program management as concerns the CPP.

9.0 Summary and Recommendations

A review of audit results reveals that a substantial number of errors are found in each of the GDS audited, and that such errors are randomly disbursed across their internal CPP databases both as to type and location. Apart from some vendor-specific issues observed in Section 4 as concerns Amadeus, it is impossible to predict where errors will occur based upon any empirical standard.

The number of errors identified by the audit is sufficient to affect the financial integrity of the CPP.

In addition to the specific recommendations described in Section 4, addressing these variances requires the following:

- 8) Conduct a detailed analysis of each identified variance, grouping errors by type and by vendor.
- 9) Examine documents on a test basis to ascertain the cause of the error and establish when it entered the database.
- 10) Plan and execute specific remedies based upon each error-type and the correction required. For instance, typographical errors require correction of inputs, while database load errors may require procedural modifications on the part of vendors.
- 11) Where vendors are responsible for typographical errors, a plan must be adopted to require and enforce consistent data and presentation quality. This differs from errors that may originate with the Government, which the audit data suggest may exist. The Government should adopt and enforce a CPP data quality initiative as concerns GDS and airline vendors, that is verified by audit.
- 12) GDS data presentations should be audited again to assess the success of these corrective measures. Based upon the results of this audit, corrective measures may be modified and re-implemented.
- 13) A systematic, routine audit should be initiated to enforce database quality on the part of CPP vendors and protect the integrity of the program. The results of such audits should be used as input to vendor program management discussions, negotiations, and operations planning for the CPP.

==== July 1, 2002



Acquisition

Allegations to the Defense Hotline on
the Management of the Defense
Travel System
(D-2002-124)

==== Department of Defense
Office of the Inspector General

Quality

Integrity

Accountability

Permanent Subcommittee on Investigations

EXHIBIT #5

Additional Copies

To obtain additional copies of this report, visit the Web site of the Inspector General of the Department of Defense at www.dodig.osd.mil/audit/reports or contact the Secondary Reports Distribution Unit of the Audit Followup and Technical Support Directorate at (703) 604-8937 (DSN 664-8937) or fax (703) 604-8932.

Suggestions for Future Audits

To suggest ideas for or to request future audits, contact the Audit Followup and Technical Support Directorate at (703) 604-8940 (DSN 664-8940) or fax (703) 604-8932. Ideas and requests can also be mailed to:

OAIG-AUD (ATTN: AFTS Audit Suggestions)
Inspector General of the Department of Defense
400 Army Navy Drive (Room 801)
Arlington, VA 22202-4704

Defense Hotline

To report fraud, waste, or abuse, contact the Defense Hotline by calling (800) 424-9098; by sending an electronic message to Hotline@dodig.osd.mil; or by writing to the Defense Hotline, The Pentagon, Washington, DC 20301-1900. The identity of each writer and caller is fully protected.

Acronyms

ASD(C ³)	Assistant Secretary of Defense (Command, Control, Communications, and Intelligence)
CECOM	U.S. Army Communications-Electronics Command
CUI	Common User Interface
DTS	Defense Travel System
JITC	Joint Interoperability Test Command
MTMC	Military Traffic Management Command
PMO	Project Management Office
U.S.C.	United States Code



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

July 1, 2002

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION,
TECHNOLOGY, AND LOGISTICS
UNDER SECRETARY OF DEFENSE
(COMPTROLLER)/CHIEF FINANCIAL OFFICER
ASSISTANT SECRETARY OF DEFENSE (COMMAND,
CONTROL, COMMUNICATIONS, AND
INTELLIGENCE)

SUBJECT: Report on Allegations to the Defense Hotline on the Management of the
Defense Travel System (Report No. D-2002-124)

We are providing this report for information and use. We performed the audit in response to a Defense Hotline complaint. We considered management comments on a draft of this report when preparing the final report.

The Deputy Under Secretary of Defense for Logistics and Materiel Readiness, the Under Secretary of Defense (Comptroller)/Chief Financial Officer, and the Acting Principal Director, Deputy Assistant Secretary of Defense (Programs) comments conformed to the requirements of DoD Directive 7650.3. As a result of management comments, we revised Recommendation 1. Additional comments are not required.

We appreciate the courtesies extended to the staff. For additional information on this report, please contact Ms. Kathryn M. Truex at (703) 604-9139 (DSN 664-9139) (kmtruex@dodig.osd.mil) or Ms. Jacqueline L. Wicecarver at (703) 604-9144 (DSN 664-9144) (jwicecarver@dodig.osd.mil). See Appendix E for the report distribution. The team members are listed inside the back cover.

David K. Steensma

David K. Steensma
Acting Assistant Inspector General
for Auditing

Office of the Inspector General of the Department of Defense

Report No. D-2002-124
Project No. D2001FG-0148

July 1, 2002

**Allegations to the Defense Hotline on the Management
of the Defense Travel System****Executive Summary**

Who Should Read This Report and Why? This report concerns those managers who are specifically involved with managing the Defense Travel System, as well as those managing the development of information technology systems. The report discusses the need to determine the appropriateness of the Defense Travel System to provide DoD with an effective travel management process.

Background. The Defense Travel System was envisioned as a general support system designed to make business travel quicker, easier, and more efficient by providing automated commercial and Government travel support services to DoD travelers. The Defense Travel System was expected to represent the 21st century model of efficiency and service, featuring the best practices in industry and plug-and-play components. In addition, the Defense Travel System was to be designed to speed and streamline the entire cycle of authorization, reservation, and claims processing involved in global DoD travel. In May 1998, the Military Traffic Management Command awarded a firm fixed-price, performance-based services contract to TRW Incorporated* for approximately \$263.7 million to design and deploy the Defense Travel System. The Defense Travel System contract included an aggressive timeline to commence deploying the system to approximately 11,000 sites worldwide within 120 days of the effective date of the contract, with completion approximately 38 months later.

Results. Despite recent actions by the Under Secretary of Defense (Acquisition, Technology, and Logistics) and the Under Secretary of Defense (Comptroller)/Chief Financial Officer, the Defense Travel System remains a program at high risk of not being an effective solution in streamlining the DoD travel management process. The Defense Travel System was being substantially developed without the requisite requirements, cost, performance, and schedule documents and analyses needed as the foundation for assessing the effectiveness of the system and its return on investment. In addition, planning for security at user sites is incomplete. The additional projected funding for the Defense Travel System Program from FYs 2002 through 2007 was \$377.1 million. As a result, there was increased risk that the planned additional investment of \$377.1 million to fully develop and implement the Defense Travel System and the \$114.8 million and 6 years of effort already invested will not fully

*Formerly BDM International Incorporated.

realize all goals to reengineer temporary duty travel, make better use of information technology, and provide an integrated travel system. The Defense Travel System Program is projected to expend approximately \$491.9 million (approximately 87 percent more than the original contract cost of \$263.7 million) and deployment will not be completed until FY 2006, approximately 4 years behind schedule. Managing the Defense Travel System as a major automated information system with requisite documentation and tracking of cost, schedule, performance, and security can reduce the program risk. Further performance of a cost-effectiveness study of the system will also reduce risk. (See the Finding section for details on the audit results.)

Management Comments and Audit Response. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, the Deputy Under Secretary of Defense (Logistics and Materiel Readiness), and the Acting Principal Director, Deputy Assistant Secretary of Defense (Programs) concurred with the intent of the recommendations but disagreed with the draft report recommendation to suspend funding for the Defense Travel System until it was determined whether the system was the most cost-effective solution to a streamlined travel process. The Under Secretary of Defense (Comptroller)/Chief Financial Officer agreed with the intent of the report to improve the oversight of the Defense Travel System Program and has already taken action to manage the Defense Travel System as an Acquisition Category IAM program. Additionally, he has tasked the Director, Program Analysis and Evaluation to do a cost-effectiveness study to determine whether the Defense Travel System program should continue or be terminated. The complete text of the comments is in the Management Comments section of the report. The comments and actions initiated were responsive. We revised the report recommendations because the proposed oversight mechanism and cost-effectiveness study will reduce program risk and insert appropriate decision points for deciding whether to continue or terminate the Defense Travel System.

Table of Contents

Executive Summary	i
Background	1
Objectives	2
Finding	
Management and Implementation of the Defense Travel System	3
Appendixes	
A. Scope and Methodology	
Scope	15
Methodology	16
Management Control Program Review	16
Prior Coverage	17
B. Summary of Allegations	18
C. Key Program Events	20
D. Departmental Policies	21
E. Report Distribution	23
Management Comments	
Under Secretary of Defense (Comptroller)/Chief Financial Officer	25
Deputy Under Secretary of Defense for Logistics and Materiel Readiness	37
Deputy Assistant Secretary of Defense (Programs)	41

Background

This audit was performed in response to allegations made to the Defense Hotline concerning management of the Defense Travel System (DTS). See Appendix B for a synopsis of each allegation and audit results. Appendix C is an overview of key events that have resulted in an ongoing effort to reengineer the DoD temporary duty travel process.

Reengineering DoD Temporary Duty Travel. As a result of the 1993 National Performance Review, DoD identified travel as an area that required reengineering. The DoD Task Force to Reengineer Travel was established in July 1994 to conduct a comprehensive and systematic review of the DoD travel network using a “clean sheet of paper” approach. The DoD Task Force to Reengineer Travel concluded that the DoD travel process was fragmented, inefficient, expensive to administer, and occasionally impeded mission accomplishment. In January 1995, the DoD Task Force to Reengineer Travel issued the “Report of the Department of Defense Task Force to Reengineer Travel,” which addressed three principal causes for the inefficient DoD travel system:

- travel policies and programs were focused on compliance with rigid rules rather than mission performance,
- travel practices did not keep pace with travel management improvements implemented by industry, and
- the travel system was not integrated.

DTS Program Management. On December 13, 1995, the Under Secretary of Defense for Acquisition, Technology, and Logistics¹ and the Under Secretary of Defense (Comptroller)/Chief Financial Officer issued a memorandum, “Reengineering Travel Initiative,” establishing the Project Management Office (PMO) to acquire travel services that would be used DoD-wide and support mission requirements, reduce costs, and provide superior customer service. The memorandum directed the PMO to report through the Under Secretary of Defense (Comptroller)/Chief Financial Officer to the Under Secretary of Defense for Acquisition, Technology, and Logistics. The memorandum also tasked the U.S. Transportation Command to provide a single procurement entity. As a result, the Military Traffic Management Command (MTMC) was designated to procure DTS. DTS was envisioned as a general support system designed to make business travel quicker, easier, and more efficient by providing automated commercial and Government travel support services to DoD travelers. DTS was expected to represent the 21st century model of efficiency and service, featuring the best practices in industry and plug-and-play

¹Formerly the Under Secretary of Defense (Acquisition and Technology).

components. Additionally, DTS was to be designed to speed and streamline the entire cycle of authorization, reservation, and claims processing involved in global DoD travel.

In accordance with the December 1995 guidance, the PMO initiated the DTS Program as an acquisition of travel services rather than an acquisition investment in information technology. The PMO developed an acquisition plan based on using commercial-off-the-shelf software and provided it to the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer for review. The acquisition plan was approved, thereby allowing the PMO to proceed with the acquisition of DTS as a travel service.

Contract Award. In May 1998, MTMC awarded a firm fixed-price, performance-based services contract to TRW Incorporated (formerly BDM International Incorporated) for approximately \$263.7 million to design and deploy DTS. However, because a protest was filed with the General Accounting Office, which was subsequently resolved, the effective date of the contract changed from May 1998 to September 1998. The contract specified that TRW Incorporated was to be paid a one-time deployment fee of \$20 for each user, and an initial transaction fee of \$5.27 for each travel voucher processed upon DTS achieving initial operational capability. However, the DTS contract did not define what DTS should accomplish in order to be functionally accepted nor did it include a test plan. The DTS contract also included an aggressive timeline to commence deploying DTS to approximately 11,000 sites worldwide within 120 days of the effective date of the contract, with completion approximately 38 months later.

DTS Program Costs. Total DTS Program cost was estimated to be \$491.9 million. Since December 1995, the PMO has expended approximately \$114.8 million for the DTS Program from FYs 1996 through 2001. The projected funding for the DTS Program from FYs 2002 through 2007 was \$377.1 million.² The primary DTS Program costs include development, operational testing, and salaries for DoD civilians, contractors, and military support.

Objectives

The audit objective was to review the allegations made to the Defense Hotline and to determine whether the DTS Program was being managed to meet cost, schedule, and performance requirements. We also evaluated the management control program as it related to the audit objectives. See Appendix A for a discussion of the audit scope and methodology, management control program, and prior coverage.

²The \$377.1 million includes \$190.6 million in operation and maintenance funds and \$186.5 million in research and development funds.

Management and Implementation of the Defense Travel System

Despite recent actions by the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DTS remains at high risk for not being an effective solution to streamlining the DoD travel management process. DTS has been and was being substantially developed without the requisite requirements, cost, performance, and schedule documents and analyses needed as the foundation for assessing the system's effectiveness and its return on investment. Specifically,

- the DTS Program is not being managed as intended by the Clinger-Cohen Act;
- the user requirements community did not develop requirement documents such as the mission needs statement or an operational requirements document, which are used as the basis for selecting an appropriate acquisition strategy for new systems;
- the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) (ASD[C³I]) designated DTS as a special interest initiative rather than a major automated information system acquisition program;
- DoD management oversight organizations failed to appropriately address significant indicators of DTS Program implementation problems; and
- the PMO had not yet accomplished remedial actions directed by the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer in July 2001.

As a result, there was increased risk that the planned additional investment of \$377.1 million to fully develop and implement DTS and the \$114.8 million and 6 years of effort already invested will not deliver a viable, integrated travel management system. Further, the mandated management oversight will not be able to be effectively accomplished without the requisite acquisition documents and analyses needed for informed decision-making.

Clinger-Cohen Act

The Clinger-Cohen Act, Public Law 104-106, February 10, 1996, requires that managers implement deliberate processes for maximizing value and managing the risks associated with the acquisition of information technology. Section

5002 of Public Law 104-106 (section 1401, title 40, United States Code [U.S.C.]) defines information technology as any interconnected system used in the automated management of data or information, including software and services. Section 5125 (40 U.S.C. 1425) states that the Chief Information Officer of executive agencies is responsible for:

- providing advice and other assistance to the head of the executive agency and other senior management to ensure that information technology is acquired and information resources are managed effectively; and
- monitoring the performance of information technology programs of the executive agency, evaluating the performance of those programs, and advising the head of the executive agency whether to continue, modify, or terminate a program.

In addition, section 5127 (40 U.S.C. 1327) requires the head of an executive agency to identify any major acquisition program related to information technology that has significantly deviated from the cost, performance, or schedule goals established for the program in the strategic information resources management plan.

The ongoing emphasis in obtaining the full benefits of information technology has generated considerable Federal Government and DoD policy and guidance. Good business practices dictate that DoD managers implement and follow such policy. Appendix D summarizes the information technology, acquisition, and security guidance applicable to DTS.

Acquisition Strategy

DoD did not manage DTS as an acquisition investment in information technology, follow the applicable Office of Management and Budget and DoD guidance for information technology acquisitions, or provide the oversight needed to ensure that DTS was an effective solution to streamline the DoD travel process. Further, DoD did not address indicators that the program was experiencing problems.

Information Technology Investments. The Clinger-Cohen Act, along with Office of Management and Budget guidance and DoD policy, provide an effective framework for managing information technology investments, not just when a program is initiated, but continuously throughout the life of the program.

From inception, DTS was to be integrated with other systems and share data, therefore requiring it to be compliant with acquisition laws and regulations.

In December 1995, the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer established the DTS PMO, but did not

designate the program as a major automated information system. In June 1997, ASD (C³I) designated the DTS Program as a special interest initiative. DoD does not consider special interest initiatives subject to acquisition policy requirements. As of April 2002, after extensive development and total program costs estimated at \$491.9 million, DoD still had not designated DTS as a major automated information system. Consequently, the PMO had not prepared essential documents in the acquisition process, to include a mission needs statement, an operational requirements document, a life-cycle cost estimate, an acquisition program baseline, and a test and evaluation master plan as required by the DoD 5000 acquisition policy series.

Security. Additionally, DoD Instruction 5200.40, "DoD Information Technology Security Certification and Accreditation Process," December 30, 1997, prescribes standardized procedures to meet DoD system security certification and accreditation requirements when implementing an information technology system. DoD Components and the PMO have not addressed the security requirements for the DTS software at the proposed sites where DTS will be deployed. Specifically, the System Security Authorization Agreement developed by the PMO only addresses the certification and accreditation of DTS at the contractor site.

Projected Funding. The PMO has requested approximately \$377.1 million even though it has yet to provide an automated, paperless travel system that meets all DoD temporary duty requirements. The following table identifies additional projected funding requested by the PMO to implement DTS from FYs 2002 through 2007.

Projected Funding From FYs 2002 Through 2007			
Fiscal Year	Operation and Maintenance Funds	Research and Development Funds	Total (in millions)
2002	\$61.6	\$19.6	\$81.2
2003	53.8	30.4	84.2
2004	37.0	32.3	69.3
2005	12.5	34.1	46.6
2006	12.7	34.7	47.4
2007	<u>13.0</u>	<u>35.4</u>	<u>48.4</u>
Totals	\$190.6	\$186.5	\$377.1

Although the PMO originally envisioned that DTS could be deployed without any development by using commercial-off-the-shelf products, since the effective date of the contract (September 1998), they have had to do extensive

developmental work. From FYs 2002 through 2007, the PMO expects further development costs of approximately \$186.5 million to complete development necessary to obtain critical functionality of the system, to continue developing solutions to integrate the common user interface (CUI)³ and the DoD accounting and disbursing systems, and to provide required engineering support to implement the system.

Contract Issues. Because fundamental acquisition documents were never developed, the DTS contract was not properly structured for the implementation of DTS. Officials from the U.S. Army Communications-Electronics Command (CECOM) stated that under a restructured contract, TRW Incorporated would be paid a firm-fixed price on a monthly basis for a deployment team responsible for implementing DTS.

Indicators of Problem

Test and Evaluation. The PMO originally expected to complete testing and commence deploying DTS within 120 days of the effective date of the contract, with deployment to be completed within 38 months (April 2002). Officials from the PMO stated that when testing began in November 1998, they immediately recognized that the travel system they envisioned was more cumbersome than anticipated. The PMO, in coordination with the DoD Components, developed specific test scenarios to test the ability of the TRW Incorporated CUI to meet the overall functionality envisioned by DoD. The PMO began testing 326 test scenarios to validate the capability of the CUI to accept a trip request, produce a "should cost" estimate,⁴ identify exceptions to policy, and accurately compute a final reimbursement voucher. During this phase of testing, several deficiencies were identified, including the computation module's inability to calculate temporary duty travel in conjunction with leave and travel that required partial payments. By early 1999, it was evident that the commercial-off-the-shelf software required major development and modifications in order to meet DoD requirements.

The second phase of testing included validating 230 test scenarios to demonstrate full system functionality, including external interfaces, of the CUI in a controlled environment prior to conducting operational tests at DoD sites. At the completion of this phase of testing, 87 "critical" discrepancies were identified. Of the 87 discrepancies, the PMO determined that 15 were associated with functionality that could be addressed in future releases of DTS. The remaining 72 discrepancies would be corrected in software and business process updates. Each new release and software update required more development and modifications.

³The CUI represents the automation that integrates the necessary functions of DTS and provides an interface to other systems involved in the travel process including the Defense Electronic Business Exchange, DoD Accounting and Disbursing Systems, and the DoD Public Key Infrastructure.

⁴A "should cost" estimate is the standard or baseline amount the Government is willing to pay at the time a trip is planned and authorized. "Should cost" estimates include allowable transportation, lodging, and rental car expenses; per diem for meals; and approved reimbursable incidental expenses.

The first operational assessment was scheduled to occur from October 23 through December 22, 2000, at Whiteman Air Force Base, Missouri. As a result of 72 discrepancy reports and substantial deployment problems, the PMO terminated the operational assessment on November 8, 2000.

A second operational assessment by the Joint Interoperability Test Command (JITC) occurred at Ellsworth Air Force Base, South Dakota, from July 26 to August 29, 2001. In a report issued by JITC in October 2001, JITC stated that DTS failed to meet certain critical requirements, and as a result, JITC did not consider DTS to be an operationally effective system for all DoD Components.

Developmental Requirements. As of April 2002, the PMO had not documented the amount or nature of the development required to implement DTS, but PMO officials stated that the required development was extensive. Because the PMO had recognized that DTS would require extensive development by early 1999, the PMO should have informed the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer of that requirement and the need to reconsider the DTS acquisition strategy. By that time, it was clear that continuing the DTS initiative as a services acquisition was inappropriate and that it should rather be managed as an acquisition investment in information technology.

Deployment Plan. Although the PMO originally expected to deploy DTS to approximately 11,000 sites, the DTS deployment plan has been reduced to approximately 260 sites. The revised deployment schedule includes fielding DTS to 10 pilot sites during FY 2002 and to approximately 250 high-volume travel sites from FYs 2003 to 2006. Although officials from the PMO stated that deploying DTS to approximately 260 sites would include approximately 86 percent of all DoD travelers, deployment to even this reduced number of sites will not be completed until FY 2006, approximately 4 years behind schedule. The PMO and the Defense Finance and Accounting Service have not tested all DoD accounting and disbursing systems to ensure an adequate interface exists with the CUI. As of April 2002, 27 (71 percent) of the approximately 38 DoD accounting and disbursing systems, with which DTS may interface, had not been tested.

The PMO should not deploy DTS to any site until DTS is designated a major automated information system, all acquisition documents have been completed, a program review has been conducted by the Overarching Integrated Product Team, and the Milestone Decision Authority has approved the system to proceed.

Program Oversight

Special Interest Initiatives. ASD(C³I) did not provide adequate oversight for the DTS Program as a special interest initiative. As the DoD Chief Information Officer, ASD(C³I) designated the DTS Program as a special interest initiative rather than a major automated information system. On June 11, 1997, the

Office of ASD(C³I) issued a memorandum, "Designation of Major Automated Information Systems and Other Special Interest Major Initiatives and Related Quarterly Reporting Requirements," updating the list of DoD major information technology investments and special interest initiatives, including the DTS Program.

Congressional Requirements. Congress enacted reform legislation to improve the methods by which Federal agencies select and manage information technology resources. To comply with congressional requirements, on May 7, 1997, ASD(C³I) was directed to provide oversight and management for all DoD information technology investments.

May 1999 Memorandum. On May 5, 1999, the Office of the ASD(C³I) issued a memorandum, "Designation of Major Automated Information System Acquisition Programs/Special Interest Initiatives and Related Oversight Requirements," providing general guidance for programs designated as special interest initiatives. Specifically, the memorandum required the DoD Chief Information Officer to:

- incorporate into regulatory guidance and oversight processes those requirements included in the Clinger-Cohen Act for information technology investments; and
- tailor management, oversight, and quarterly reporting requirements to ensure that warfighter requirements are met.

ASD(C³I) did not follow that guidance and did not establish or tailor management and oversight requirements for the DTS Program. Specifically, ASD(C³I) did not require the PMO to:

- submit an acquisition strategy for review and approval; and
- coordinate and obtain consensus on acquisition requirements that added value to the DTS Program, especially requirements related to cost, performance, and schedule.

ASD(C³I) required the PMO to submit quarterly reports that identified the progress and implementation status of the DTS Program. The DTS quarterly reports identified program issues affecting DTS milestones, fielding schedules, system interfaces, and software development. Officials from ASD(C³I) stated they reviewed the DTS quarterly reports to determine whether the DTS Program was satisfactorily progressing. However, officials from ASD(C³I) also stated that the DTS quarterly reports did not always appear to report the "true state" of the DTS Program. Officials from ASD(C³I) stated that it was not until the Whiteman Air Force Base operational assessment was terminated in November 2000 that they became more involved and interested in the DTS Program.

March 2001 Memorandum. On March 30, 2001, ASD(C³I) issued a memorandum, "Designation of Major Automated Information System Acquisition Program," that updated the May 1999 guidance. The memorandum identified those DoD information systems designated as major automated information systems subject to DoD acquisition requirements. However, the

memorandum did not address oversight requirements for special interest initiatives. Instead, the memorandum stated that ASD(C³I) would issue separate guidance on major information technology investments subject to ASD(C³I) oversight by the end of FY 2001. During a meeting on November 26, 2001, officials from ASD(C³I) stated that they planned to redesignate DTS from a special interest initiative to a major acquisition information system. As of April 2002, ASD(C³I) had not issued guidance for managing special interest initiatives nor had they redesignated DTS as a major acquisition information system.

Other Oversight Structures. The Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer did not adequately address issues affecting the implementation of DTS. However, officials from the two Under Secretaries of Defense stated that they had provided direct oversight since DTS Program inception. Officials from the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer also stated that the DTS Program was subjected to regular flag-level committee meetings that provided oversight for the progress of the program.

Senior-Level Working Groups. The DoD Task Force to Reengineer Travel established two senior-level committees, an O-8 Steering Group and an O-6 Working Group, to serve as focal points for all DoD activities during the effort to reengineer DoD travel. The committees included representatives from each of the DoD Components; the Under Secretary of Defense for Acquisition, Technology, and Logistics; the Under Secretary of Defense (Comptroller)/Chief Financial Officer; ASD(C³I); and the PMO. The committees' primary function was to present issues and concerns related to reengineering DoD travel, including implementing the DTS Program, and to resolve those issues and concerns. During each committee meeting, a status of the DTS Program was presented serious issues affecting deployment, including the need for a viable deployment schedule and the necessity for extensive development and testing to meet functionality requirements, were often addressed. However, not until January 2001 did either the Under Secretary of Defense for Acquisition, Technology, and Logistics or the Under Secretary of Defense (Comptroller)/Chief Financial Officer recommend that the program be reassessed, even though extensive development had been necessary since 1999 and the deployment timeline defined in the contract had been significantly exceeded.

Directed Actions

The Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer expressed

and directed specific actions towards the DTS Program after discrepancies were identified during the first operational assessment attempted at Whiteman Air Force Base.

January 2001 Memorandum. On January 19, 2001, the Under Secretary of Defense for Acquisition, Logistics, and Technology and the Under Secretary of Defense (Comptroller)/Chief Financial Officer issued a memorandum, "Defense Travel System Program/Contract Assessment," stating that recent deficiencies identified during Phase IIIa acceptance tests raised serious concerns about the DTS Program. The memorandum required:

- the PMO, in coordination with ASD(C³I), the Defense Information Systems Agency, the Defense Finance and Accounting Service, the Military Departments, the Office of the Deputy Chief Financial Officer, and the U.S. Transportation Command, to complete a functional assessment of the DTS Program;
- an independent technical assessment that would identify measures needed to improve DTS response times; and
- the Army to determine specific actions necessary for the DTS contract based on the results of the functional and technical assessments.

The memorandum also directed that overall functional responsibility be assigned to the U.S. Transportation Command.

Completed Actions. Officials from the PMO stated that they had completed a functional assessment and had reported to the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer that DTS is a viable system that will meet DoD temporary duty travel requirements. Officials from the PMO stated that they did not prepare a formal written functional assessment, but rather provided multiple briefings with charts to the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer. The PMO contracted with an independent contractor to perform a technical assessment to determine whether DTS response times met testing requirements. On April 20, 2001, the PMO issued a report prepared by the contractor stating that response times met the developed acceptance criteria at remote sites. This conclusion was based on tests of how infrastructure performance issues could affect DTS response times performed at nine major DoD sites in a controlled test environment.

Actions Not Completed. The DTS original contract did not include essential elements necessary for the effective acquisition of DTS. Specifically, the DTS contract did not define what DTS was required to accomplish in order for it to be functionally accepted nor did it include a test plan. On April 5, 2001, the Assistant Secretary of the Army (Procurement) issued a memorandum directing CECOM to assume responsibility for the contract from MTMC, to include restructuring the DTS contract. The memorandum also states CECOM should become responsible for the contract because of its expertise in large information technology contracts. Officials from CECOM stated that the primary changes to

the contract would include eliminating the one-time deployment fee for each user and the initial transaction fee for each travel voucher processed, and modifying the method of payment to TRW Incorporated. Officials from CECOM stated that TRW Incorporated would be paid a firm-fixed price on a monthly basis for a deployment team responsible for implementing DTS. Officials from CECOM stated they did not complete restructuring the DTS contract until March 29, 2002.

July 2001 Memorandum. On July 17, 2001, the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer issued a memorandum, "Defense Travel System," which approved proceeding with the DTS Program. The memorandum stated that the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer would continue to provide policy oversight to the DTS Program. However, upon completion of necessary contract actions, the U.S. Transportation Command was directed to assume responsibility for the DTS Program. The memorandum also directed that DTS Program oversight be accomplished in accordance with DoD Instruction 5000.2, "Operation of the Defense Acquisition System," March 15, 1996 (revised January 4, 2001). U.S. Transportation Command or its designee was to be the Designated Approval Authority for the DTS system security certification and chair the DTS Configuration Control Board. However, a December 11, 2001, budget decision delayed transferring DTS Program responsibility to the U.S. Transportation Command until FY 2004 to allow the program to be in a full deployment mode. The budget decision did not establish an interim authority over the DTS Program in place of U.S. Transportation Command to ensure that it would adhere to the requirements of DoD Instruction 5000.2 or complete the other directed actions detailed in the July 2001 memorandum.

Conclusion

DoD envisioned that DTS would represent a 21st century model of efficiency and service, featuring the best practices in industry and plug-and-play components. When fully operational, DTS was expected to provide an automated and paperless system that met the needs of nearly 3.5 million active duty military, reserve, and DoD civilian travelers. Sound business practices and an information technology investment that borders on a half-billion dollars dictate a need for a process to assess progress towards established goals, especially for cost, performance, schedule, and security. Such a process has not been established for DTS. DoD should manage the DTS Program as a major automated information system and ensure it meets requirements of the Clinger-Cohen Act and Office of Management and Budget and DoD acquisition and security policies.

Management Comments on the Finding and Audit Response

PMO Comments. Management comments from the PMO were enclosed with the response from the Under Secretary of Defense (Comptroller)/Chief Financial Officer and are reproduced in their entirety along with that response. The PMO stated that the report erroneously indicated that the PMO had reduced the number of sites that will receive DTS. When fully implemented, DTS will provide temporary duty travel services to all of the original 11,000 envisioned sites.

Audit Response. According to the PMO, the original plan was to deploy DTS to about 11,000 sites worldwide. However, after further consideration and research, the PMO determined that it would be able to deploy DTS to about 260 high-volume sites that generated 86 percent of all DoD temporary duty travel. The 260-site deployment would be accomplished in two phases. The PMO also determined that if DTS was deployed to an additional 300-plus sites, it would capture approximately 99 percent of all DoD temporary duty travel. Version 1 of the DTS deployment plan, October 1, 2001, stated that Phase III would be completed by the Services and agencies, which would bear responsibility for the leadership and funding of this effort. During the study of the DTS Program directed by the Under Secretary of Defense (Comptroller)/Chief Financial Officer, the Director, Program Analysis and Evaluation should determine the number of sites that are most cost-effective to receive DTS.

Recommendations, Management Comments, and Audit Response

1. We recommend that the Deputy Under Secretary of Defense for Logistics and Materiel Readiness ensure that the Defense Travel System Program be designated as an Acquisition Category IAM program and the Under Secretary of Defense (Comptroller)/Chief Financial Officer complete the Program, Analysis, and Evaluation study by October 1, 2002, to determine whether the Defense Travel System Program should either continue or be terminated.

Management Comments. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, the Deputy Under Secretary of Defense (Logistics and Materiel Readiness), and the Acting Principal Director, Deputy Assistant Secretary of Defense (Programs) nonconcurred with the draft report recommendation to suspend funding for development and deployment of DTS until DoD determines whether DTS is the most cost-effective solution to the travel process. The Under Secretary of Defense (Comptroller)/Chief Financial Officer stated the termination would make a major impact on pilot site operations and create significant termination costs for DoD. To address the audit concerns, the Under Secretary tasked the Director, Program Analysis and Evaluation to undertake a cost-effectiveness study for DTS and report the results to him no later than October 1, 2002. The Under Secretary agreed with the

intent of the report to improve oversight for DTS and invited the Under Secretary of Defense (Acquisition, Technology, and Logistics) and ASD(C³) to join in the study. Further, any future decision to continue or terminate DTS will be contingent upon the Program Analysis and Evaluation findings. The Deputy Under Secretary of Defense (Logistics and Materiel Readiness) stated that the DTS remains a viable system for meeting future temporary duty travel requirements while providing broad benefits to DoD. In addition, the Deputy Under Secretary stated that DTS would be designated as an Acquisition Category IAM program and, as such, be subject to the acquisition discipline previously lacking in the program. The Acting Principal Director, Deputy Assistant Secretary of Defense (Programs) stated that if funds were suspended, the DTS Program would, for all practical purposes, be terminated. Further, DTS assessments were conducted during multiple briefings to various management levels. The assessment result was the July 17, 2001, memorandum signed by the Under Secretary of Defense (Comptroller)/Chief Financial Officer and the Under Secretary of Defense (Acquisition, Technology, and Logistics) that approved proceeding with DTS Program implementation.

Audit Response. Management comments were responsive. It was not the intent of our recommendation to terminate DTS. We believe the Program requires additional structure, oversight, and an analysis of whether DTS is the most cost-effective solution for the DoD travel process. Planned actions by senior DoD officials, such as their intent to designate the system as an Acquisition Category IAM program, their plan to provide additional program oversight, and their intent to perform a cost-effectiveness study of the system, show concern for the program. Based on the comments, we revised the recommendation in the final report. Additional comments are not required.

2. We recommend that the Project Management Office comply with the intent of the Clinger-Cohen Act by managing the Defense Travel System as a major information technology investment; establishing proper security in accordance with DoD Directive 5200.28 and DoD Instruction 5200.40; and developing essential acquisition documents needed for effective oversight, including:

- a. a mission needs statement,
- b. an operational requirements document,
- c. a life-cycle cost estimate,
- d. an acquisition program baseline, and
- e. a test and evaluation master plan.

Management Comments. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, the Deputy Under Secretary of Defense (Logistics and Materiel Readiness), and the Acting Principal Director, Deputy Assistant Secretary of Defense (Programs) concurred with the recommendation. The Under Secretary of Defense (Comptroller)/Chief Financial Officer stated that he has taken action to manage DTS as an Acquisition Category IAM program in accordance with DoD 5000 series. The Deputy Under Secretary

stated the recommended actions were those envisioned by the July 17, 2001, joint Under Secretary of Defense (Acquisition, Technology, and Logistics) and the Under Secretary of Defense (Comptroller)/Chief Financial Officer memorandum. The Acting Principal Director, Deputy Assistant Secretary of Defense (Programs) stated his office was in the process of designating DTS an Acquisition Category IAM program. Once designated, DTS will be subject to all DoD requirements and will be overseen by the Office of the Secretary of Defense and Joint Staff as a major automated information system. This oversight will ensure compliance with DoD guidance, including security requirements addressed in DoD Directive 5200.28 and DoD Instruction 5200.40.

3. We recommend that the Under Secretary of Defense for Acquisition, Technology, and Logistics; the Under Secretary of Defense (Comptroller)/Chief Financial Officer; and the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) review the progress made by the Project Management Office in implementing Recommendation 2., and determine whether the Defense Travel System Program should continue or be terminated.

Management Comments. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, the Deputy Under Secretary of Defense (Logistics and Materiel Readiness), and the Acting Principal Director, Deputy Assistant Secretary of Defense (Programs) concurred with the recommendation. The Under Secretary of Defense (Comptroller)/Chief Financial Officer has tasked the Director, Program Analysis and Evaluation to undertake a cost-effectiveness study for DTS and invited the Under Secretary of Defense (Acquisition, Technology, and Logistics) and the Deputy Assistant Secretary of Defense (Programs) to join the study. Findings of the study are to be reported by October 1, 2002. Any future decisions to continue or terminate DTS will be contingent on the study's findings. The Deputy Under Secretary stated program progress will be monitored and decisions made in accordance with the DoD 5000 series milestone reviews and other key requirements. Further, the decisions contained in the July 17, 2001, memorandum remain valid and that any future decision to continue or terminate DTS should be vetted through the DoD 5000 series milestone process. The Acting Principal Director stated they would review DTS progress on implementing Recommendation 2. at milestone reviews, the first of which is planned for March 2003. The Integrated Product Team will review program progress between milestone reviews. ASD(C³I) will serve as the Milestone Decision Authority for the Defense Travel System and the Under Secretary of Defense (Comptroller)/Chief Financial Officer and the Under Secretary of Defense (Acquisition, Technology, and Logistics) will be an integral part of the DTS milestone review process.

Appendix A. Scope and Methodology

Scope

Work Performed. We performed this audit to examine allegations made to the Defense Hotline. Specifically, we examined allegations made concerning management of the DTS Program.

We analyzed PMO management responsibilities and DoD oversight for the DTS Program by:

- visiting, contacting, and conducting interviews with officials from the Offices of the Under Secretary of Defense (Acquisition, Technology, and Logistics); the Under Secretary of Defense (Comptroller)/Chief Financial Officer; ASD(C³I); the PMO; MTMC; CECOM; and the complainants, all in Arlington, Virginia;
- reviewing various reports for the DTS Program that included cost, schedule, and performance parameters;
- reviewing DTS Quarterly Reports submitted to ASD(C³I);
- evaluating reports submitted by JITC for operational assessments conducted at Whiteman Air Force Base and Ellsworth Air Force Base to determine the readiness of site-specific operational capabilities in preparation for connectivity to the DTS; and
- reviewing the DTS System Security Authorization Agreement to determine whether the certification and accreditation process for DTS was adequately completed.

We also reviewed DoD and Military Department acquisition and security-related guidance, memorandums, and reports issued from January 1995 through July 2001 to determine whether effective management and adequate oversight were provided for the DTS Program. Specifically, we reviewed Public Law 104-106, "The National Defense Authorization Act of 1996," February 10, 1996; the DTS "Concept of Operations," May 8, 1998; and the "Report of the DoD Task Force to Reengineer Travel," January 1995. We reviewed the May 7, 1998, contract (effective date September 1998), contract number DAMT01-98-D-1005, its modifications, and supporting documentation. We also reviewed a proposed modification to contract number DAMT01-98-D-1005 that would, in effect, restructure the terms and conditions of the original contract. In addition, we evaluated DoD and inter-Service memorandums to determine senior DoD management decisions related to reengineering DoD temporary duty travel.

General Accounting Office High-Risk Area. The General Accounting Office has identified several high-risk areas in the DoD. This report provides coverage of the DoD Systems Modernization high-risk area.

Methodology

Use of Computer-Processed Data. We did not use computer-processed data to perform this audit.

Audit Dates and Standards. We performed this audit from July 2001 through April 2002 in accordance with generally accepted government auditing standards. Accordingly, we included tests of management controls considered necessary.

Contacts During the Audit. We visited or contacted individuals and organizations within DoD and within TRW. Further details are available on request.

Management Control Program Review

DoD Directive 5010.38, "Management Control (MC) Program," August 26, 1996, and DoD Instruction 5010.40, "Management Control (MC) Program Procedures," August 28, 1996, require DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

Scope of the Review of the Management Control Program. We reviewed the adequacy of management controls in place at the PMO with respect to the acquisition and management of a DoD-wide travel system. Specifically, we reviewed the PMO business processes and procedures used in acquiring DTS, DTS test plans and results, and security procedures in place to ensure the accuracy and reliability of data across the system. We reviewed management's self-evaluation applicable to those controls.

Adequacy of Management Controls. We identified a material management control weakness within the PMO. The PMO did not comply with requirements applicable to all acquisition programs even though they recognized extensive development was necessary to implement the system. Without following DoD acquisition procedures, DoD may not adequately accomplish its mission of providing a fair and equitable temporary duty travel system for all DoD Components. DoD Instruction 5010.40 defines a control weakness as material when it impairs fulfillment of essential missions or operations. Recommendations 1., 2., and 3., if implemented, should correct the weaknesses. A copy of the report will be sent to the senior official in charge of management controls in the Office of the Secretary of Defense.

Adequacy of Management's Self-Evaluation. The PMO identified acquisition management, DTS business process and procedures, security planning, and test planning as assessable units in its annual statement of assurance. Although officials from the PMO identified the above assessable units, they did not identify or report the management control weakness identified by the audit.

Prior Coverage

No prior coverage has been conducted on DoD efforts to reengineer temporary duty travel during the last 5 years.

Appendix B. Summary of Allegations

The audit was conducted in response to allegations made to the Defense Hotline. The following is a summary of the allegations and the specific results of each allegation.

Allegation No. 1: The DTS Program experienced mismanagement related to meeting cost, scheduling, and performance requirements.

Audit Results: The allegation was not substantiated. The PMO was initially directed to manage the DTS Program as an acquisition of travel services. Although the PMO recognized extensive development was necessary to implement DTS, without redirection from the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller)/Chief Financial Officer, they could not revise their approach and manage the program as an investment in information technology. This redirection was not forthcoming until January 2001.

Allegation No. 2: The DTS deployment timeline originally developed was unrealistic.

Audit Results: The allegation was substantiated. The DTS contract originally required DTS to begin deployment within 120 days from the effective date of the contract (September 1998) and to complete deployment within 38 months. The implementation schedule of 120 days was not met because of increased development and unexpected testing delays. The PMO does not expect full deployment of the DTS to be completed until FY 2006.

Allegation No. 3: DTS failed to achieve system functionality.

Audit Results: The allegation was substantiated. The PMO has not provided several critical DTS functions, including group travel, centrally billed accounts, and debt management. However, officials from the PMO stated that these functions were in development and they were planning to address each function in future DTS releases.

Allegation No. 4: The primary contractor failed to deliver a help desk function.

Audit Results: The allegation was substantiated. As of April 2002, the contractor had not provided a comprehensive help desk. Although a help desk function was required in the initial contract, specific requirements, such as Government and contractor responsibilities, cost, and resources to be used, were not addressed. Officials from the PMO and the contractor stated that specific requirements were identified and expect an operational help desk function to be addressed in the restructured contract.

Allegation No. 5: The PMO made payments for digital signature software that failed testing.

Audit Results: The allegation was not substantiated. On June 9, 1999, the PMO certified that 85 percent of the digital signature software had been developed. On October 23, 2000, the digital signature software failed operational testing at Whiteman Air Force Base; however, the failure was the result of user error and not a software glitch. On November 3, 2000, after minor modifications to the software, the contractor was paid for the remaining 15 percent of development. Federal Acquisition Regulation 52.232.1, "Payment Clause," July 11, 1997, allows the Government to pay a contractor the price stipulated for supplies accepted or services rendered.

Allegation No. 6: The selection of the primary contractor was fraudulent because of its inability to meet contractual requirements.

Audit Results: The allegation was not substantiated. Based on general requirements submitted in the request for proposal, the contractor developed a proposal and was subsequently awarded the contract. Shortly after the contract was awarded, the PMO and the contractor realized that significant modifications and extensive development were necessary to implement DTS.

Allegation No. 7: A conflict of interest exists between the PMO and the DTS contractors.

Audit Results: The allegation was not substantiated. Since the allegation was made in July 2000, the PMO has reorganized its management structure. Normal changes in military assignments, DoD civilians leaving the PMO for different jobs, and retirement have resulted in new management at the PMO. Because former personnel from the PMO were not easily accessible and the complainant was unable to provide further information, we were unable to ascertain whether a conflict of interest existed.

Allegation No. 8: The PMO paid an additional \$7.5 million for commercial-off-the-shelf software (DTS-Limited) that included the same format as that used for the full version of DTS.

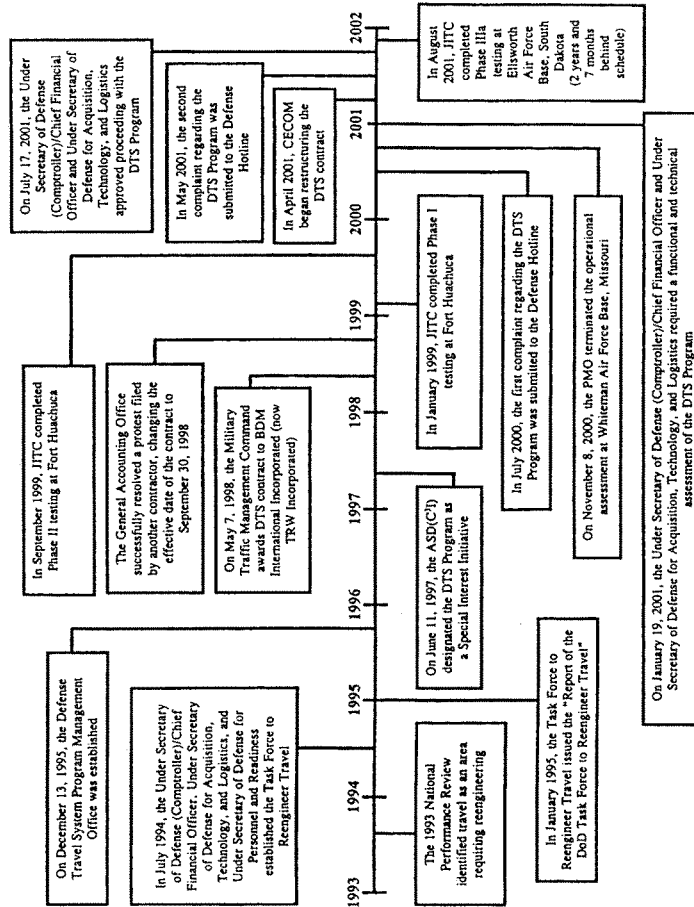
Audit Results: The allegation was substantiated. The PMO provided DTS-Limited as a temporary travel system until the contractor could develop the full version of DTS. DTS-Limited was added to the contract by modification P00007 on September 30, 1999. This modification required the contractor to provide travel manager software, installation, and processing of 1 million vouchers for \$6,808,833. In addition, the modification required a \$650,000 annual maintenance fee. Although DTS-Limited provided DoD a "stopgap" travel system for sites that required an automated travel system, the approximate \$7.5 million cost would not have been necessary had the full version of DTS been deployed on schedule.

Allegation No. 9: The roles and responsibilities for two support contractors were unclear.

Audit Results: The allegation was not substantiated. The support contractor's statement of work provides specific work objectives that were designed to assist the PMO with program management and software deployment.

Appendix C. Key Program Events

The following timeline depicts key events occurring from the time a need for reengineering DoD travel was identified to present.



Appendix D. Departmental Policies

Information Technology Guidance

Office of Management and Budget Guidance. Office of Management and Budget Circular No. A-123, "Management Accountability and Control," June 21, 1995, and No. A-130, "Management of Federal Information Resources," February 8, 1996, establish policy governing the management of Federal programs, to include the requirements to design a management structure to ensure accountability for results.

DoD Directive 8000.1. DoD Directive 8000.1, "Defense Information Management Program," October 27, 1992, prescribes management principles required for all information management activities, including those related to the acquisition of information systems; infrastructures; and resources and services to be used for administrative and routine business applications. DoD policy requires that accurate and consistent information be made available to decision-makers to effectively execute DoD missions. DoD Directive 8000.1 also states that a disciplined life-cycle approach should be used to manage information systems from their inception through discontinuance. DoD information systems should be planned, developed, acquired, and implemented from a DoD-wide perspective to ensure consistency of information and processes in and across functional areas. Finally, development or modernization of information systems should be based on sound business principles by incorporating the evaluation of costs and benefits, to include the satisfaction of mission requirements and the consistency with life-cycle management policies and procedures.

Acquisition Guidance

DoD Directive 5000.1. DoD Directive 5000.1, "Defense Acquisition," March 15, 1996 (revised January 4, 2001), describes broad management principles applicable to all DoD acquisition programs. The primary objective of the policy is to acquire quality products that satisfy the needs of the operational user with measurable improvements to mission accomplishment, in a timely manner, at a fair and reasonable price. Decision-makers and program managers are required to tailor acquisition strategies that:

- are consistent with common sense;
- conform to sound business management practices;
- comply with applicable laws, Defense policies, and regulations;
and

- address the time-sensitive nature of the user's requirements to fit the particular program.

The acquisition management guidelines in DoD Directive 5000.1 provide for a streamlined management structure and event-driven management process that emphasizes affordability and risk management that explicitly links milestone decisions to demonstrated accomplishments.

DoD Instruction 5000.2. DoD Instruction 5000.2, "Operation of the Defense Acquisition System," October 23, 2000 (revised January 4, 2001), implements DoD Directive 5000.1. DoD Instruction 5000.2 establishes a simplified and flexible management framework for translating mission needs into stable, affordable, and well-managed Major Defense Acquisition Programs and Major Automated Information Systems. In addition, DoD Instruction 5000.2 is intended to be tailored to meet the needs of individual programs.

DoD Regulation 5000.2-R. DoD Regulation 5000.2-R, "Mandatory Procedures for Major Defense Acquisition Programs and Major Automated Information System Acquisition Programs," March 15, 1996 (revised June 10, 2001), requires all acquisition programs to establish program goals, thresholds, and objectives that identify the minimum cost, schedule, and performance parameters for a program throughout its life cycle.

Security Guidance

DoD Directive 5200.28. DoD Directive 5200.28, "Security Requirements for Automated Information Systems," March 21, 1988, mandates, as a minimum, security procedures that require automated information systems to be accredited. A system is considered accredited when the Designated Approving Authority makes a formal declaration that a system is approved to operate in a particular security mode using a prescribed set of safeguards at an acceptable level of risk. It also mandates automated information systems to operate in accordance with security safeguards approved by the Designated Approving Authority.

DoD Instruction 5200.40. DoD Instruction 5200.40, "DoD Information Technology Security Certification and Accreditation Process," December 30, 1997, implements DoD Directive 5200.28, assigns responsibility, and prescribes procedures for the certification and accreditation of information technology, including automated information systems, networks, and sites in DoD. DoD Instruction 5200.40 defines a process that standardizes all activities leading to a successful accreditation. In addition, DoD Instruction 5200.40 requires the program manager, in coordination with the Designated Approving Authority, the Certification Authority, and the system user representative, to develop a System Security Authorization Agreement for compiling system certification and accreditation documentation.

Appendix E. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition, Technology, and Logistics
Deputy Under Secretary of Defense for Logistics and Materiel Readiness
Under Secretary of Defense (Comptroller)/Chief Financial Officer
Deputy Chief Financial Officer
Deputy Comptroller (Program/Budget)
Program Director, Program Management Office-Defense Travel System
Assistant Secretary of Defense (Command, Control, Communications, and Intelligence)
Deputy Assistant Secretary of Defense (Programs)

Department of the Army

Auditor General, Department of the Army
Commanding General, U.S. Army Communications-Electronics Command

Department of the Navy

Naval Inspector General
Auditor General, Department of the Navy

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Auditor General, Department of the Air Force

Unified Commands

Commander, U.S. European Command
Commander, U.S. Pacific Command
Commander, U.S. Joint Forces Command
Commander, U.S. Southern Command
Commander, U.S. Central Command
Commander, U.S. Space Command
Commander, U.S. Special Operations Command
Commander, U.S. Transportation Command
Commander, Military Traffic Management Command
Commander, U.S. Strategic Command

Other Defense Organization

Director, Defense Information Systems Agency

Non-Defense Federal Organization



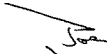

Office of Management and Budget

Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on Defense, Committee on Appropriations
House Committee on Armed Services
House Committee on Government Reform
House Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform
House Subcommittee on Government Efficiency, Financial Management, and Intergovernmental Relations, Committee on Government Reform
House Subcommittee on Technology and Procurement Policy, Committee on Government Reform

Under Secretary of Defense (Comptroller)/Chief Financial Officer Comments

Final Report
Reference

 <p>COMPTROLLER</p>	<p>UNDER SECRETARY OF DEFENSE 1100 DEFENSE PENTAGON WASHINGTON, DC 20301-1100</p>	
		<p>MAY 31 2002</p>
<p>MEMORANDUM FOR INSPECTOR GENERAL, DEPARTMENT OF DEFENSE</p> <p>SUBJECT: Draft Proposed Audit Report on the Allegations to the Defense Hotline on Management of the Defense Travel System (Project No. D2001FG-0148)</p> <p>The enclosed comments regarding the Defense Travel System (DTS) are in response to the subject Report. A detailed summary of our response to the recommendations is attached.</p> <p>I non-concur with the Report's first recommendation to suspend all DTS Program funds. Termination at this time would create major operational impacts to the pilot sites using DTS and would create significant termination costs to the Department of Defense (DoD). I strongly advise this recommendation be removed from the final report. To address your concerns, which I share, I have tasked the Director, Program Analysis and Evaluation (PA&E) to undertake a cost effectiveness study of DTS. I invite your staff's participation in this study. I have asked PA&E to report to me no later than 1 October 2002.</p> <p>I agree with the intent of the report to improve the oversight of the DTS Program. I concur with the second recommendation and have already taken action to implement this recommendation. DTS is being managed as an Acquisition Category IAM Program in accordance with the Department of Defense 5000 Series.</p> <p>As stated above, I am acting immediately upon your third recommendation. My office has invited Acquisition, Technology and Logistics (AT&L) and Command, Control, Communications and Intelligence (C3I) to join the PA&E study. Any future decision to continue or terminate DTS will be contingent upon PA&E's findings.</p> <p>The Defense Travel System is an effective solution in streamlining the DoD travel management process. We will continue to evaluate DTS' performance during its current pilot site operations and its DoD 5000 Series compliance actions to ensure it remains an effective solution for DoD.</p> <p style="text-align: center;">  Dov S. Zakheim </p> <p>Enclosures: As stated</p>		

Revised
Page 12

Final Report
Reference

Revised
Page 12

PMO-DTS RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

INTRODUCTION

We non-concur with the first of the three recommendations from the Department of Defense Inspector General (DoDIG) and disagree with its assessment that Defense Travel System (DTS) is at high-risk of being an ineffective solution in streamlining the DoD travel management process. DTS is proving to be an effective solution for reengineering DoD's temporary duty (TDY) travel at its pilot sites. DTS is currently operational at seven sites covering all four Services. At these pilot sites, the DTS team reengineered existing travel processes and is averaging a 70% reduction in the steps required to perform travel authorization and reimbursement. In addition, the implementation of the electronic end-to-end system is providing additional improvements to quality of life like reimbursing travelers within a few days of filing their voucher. The system is also generating significant reductions in costs like achieving the Defense Finance and Accounting Service (DFAS) \$2 fee for an electronic transaction versus a \$28 fee for a manual voucher transaction. We have recently queried the pilot sites and testimonials are positive from the complete range of personnel affected by DTS – individual travelers, authorizing officials and certifying officers, installation comptrollers, and installation commanders.

DTS is successfully providing the envisioned end-to-end electronic system for DoD's temporary duty travel. DTS incorporates such features as encrypted Virtual Private Network (VPN), digital signature, use of Public Key Infrastructure (PKI) with Common Access Cards (CAC), real time connections to Commercial Travel Offices (CTOs) and Global Distribution Systems (GDS), and an electronic archive to store all DTS travel records. The Services and Agencies are fully engaged and committed to the DTS program. DoD conducted a full assessment of the program during 2001 and determined it was the most cost-effective solution to reengineer and streamline the DoD travel process. This decision was documented in a memo signed on July 17, 2001.

We concur with the general intent of the report to improve the oversight of the DTS program and managing the program as a Major Automated Information System acquisition. Actions are already underway to implement the report's second recommendation. DTS is being designated an Acquisition Category IAM Program, with Assistant Secretary of Defense of Command, Control, Communications and Intelligence (ASD/C3I) as the Milestone Decision Authority (MDA). Initial Integrated Product Team (IPT) meetings have been held to review the status of the DTS Program and determine how the DoD 5000 Series will be tailored to support this important Information Technology (IT) investment. Additionally, the Program Management Office-Defense Travel System (PMO-DTS) is creating or updating all the necessary documentation in accordance with DoD 5000 Series, and the appropriate oversight organizations are engaged to review and coordinate on these documents.

We partially concur with the third recommendation as it applies to all major acquisition systems following the DoD 5000 Series. However, the recommendation implies that the Comptroller, Acquisitions, Technology and Logistics (AT&L); and Command, Control, Communications and Intelligence (C3I) conduct an immediate, separate review of the progress being made by the Program and make a decision whether it should continue or not. We believe the decisions contained in the July 17, 2001 memorandum remain valid and that any future decision to continue or terminate the DTS should be vetted through the DoD 5000 Series milestone process as envisioned by that memorandum.

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

Non-Concurrence - Results (Executive Summary, Pages i and ii)

"Despite recent actions by the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller), the Defense Travel System remains a program at high risk of being an ineffective solution in streamlining the DoD travel management process."

The Defense Travel System is the only end-to-end, electronic solution for streamlining the DoD travel management process. There is no substantiation within the Results section of this report to justify the assertion that the DTS Program is at "high risk" of being an "ineffective" solution.

"The Defense Travel System is being substantially developed without the requisite requirements, cost, performance and schedule documents and analysis needed as the foundation for assessing the effectiveness of the system and its return on investment."

The DTS Program is, in fact, being developed with substantial cost, performance, schedule, and requirements documentation on hand to support effectiveness and Return On Investment (ROI). The PMO-DTS has in place an Economic Analysis, a draft Operational Requirements Document (ORD), an implementation schedule, and other supporting documentation to substantiate the effectiveness and ROI of DTS. Additionally, in the DoDIG Report, the original contract value of \$263.7M was erroneously compared to a total Program cost of \$491.9M. This comparison would falsely lead a less knowledgeable reader to believe a cost growth of 87% has already occurred in the Program.

"As a result, there is a high risk that the planned additional investment of \$377.1 million to fully develop and implement the Defense Travel System and the 114.8 million and 6 years of effort already invested will not fully realize all goals to reengineer temporary duty travel, make better use of information technology, and provide an integrated travel system."

DoD recognizes that the original concept of integrating DoD systems and commercial travel services was far more complex than originally thought, and that the ability to start the fielding effort within 120 days was unrealistic. However, significant progress has been made in developing DTS, and now DoD is beginning to realize the benefits of this reengineered travel process. The end-to-end electronic system is working and is operational at seven pilot sites.

Non-Concurrence - Summary of Recommendations (Executive Summary, Page ii)

"We recommend that the Under Secretary of Defense (Comptroller) suspend all funding and deployment of the Defense Travel System Project until DoD has determined whether the Defense Travel System is the most cost effective solution for a streamlined DoD travel process."

This recommendation does not consider the possible ramifications to DoD if a suspension of funding and deployment were to occur. Both suspensions would be tantamount to termination

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

of the Program. An order to suspend funding would immediately cease all work under existing government contracts, which would then lead to termination costs and contractual liabilities to DoD. Funding and support for military and civilian personnel would also cease. In addition, thousands of existing DTS users would be forced to revert to the old, inefficient travel processes. A determination would then have to be made as to whether or not the program was on track to effectively reengineer the DoD travel process. If a continuation decision were reached, the restart impacts to all facets of the program would be significant.

In accordance with DoD direction, Technical and Functional Assessments of the Program were conducted in FY 01. The results of these assessments were presented to upper levels of management within DoD. DoD leadership concurred that DTS is value added and could meet the vision of a DoD-wide reengineered travel system.

Non-Concurrence – Management and Implementation of the Defense Travel System (Page 3)

"The DTS has been and is being substantially developed without requisite requirements, cost, performance, and schedule documents and analyses needed as the foundation for assessing the system's effectiveness and its return on investment."

The Defense Travel System - as a Special Interest Initiative - followed all required guidelines. The Report of the Department of Defense Task Force to Reengineer Travel, dated January 1995, documented the requirements of DTS. The cost and ROI were analyzed and reported in an Economic Analysis document dated September 1997, then re-calculated and re-evaluated again in 2001.

"Specifically,

- **the DTS Program is not being managed as a half-billion dollar information technology investment, as intended by the Clinger-Cohen Act;"**

Prior to its designation as a major acquisition program, DTS was not required to document its compliance with the Clinger-Cohen Act. The PMO-DTS' self-initiated review of Clinger-Cohen Act requirements indicates that, other than creating the necessary documentation, few - if any - changes are necessary for DTS to be in full compliance with the Clinger-Cohen Act.

- **"the user requirements community did not develop requirement documents such as the mission needs statement or an operational requirements document which are used as the basis for selecting an appropriate acquisition strategy for new systems;"**

In 1994, a DoD-assembled task force reviewed the current travel process in DoD and developed recommendations for a reengineered travel process. The task force report titled "Report of the Department of Defense Task Force to Reengineer Travel" dated January 1995, documents the requirements of the reengineered travel system. The task force had "user community" representation with members or advisers from all the Services and Agencies.

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

The Reengineering Travel Transition Office (RTTO) validated the task force's recommendations with 27 pilot sites and used Advisor Groups made up of Service and Agency representatives to ensure the user community was fully represented. Although no formal Mission Needs Statement (MNS) or Operational Requirements Document (ORD) were developed, the aforementioned Report contains the information that would normally be contained in those documents. The user community developed the requirements for DTS in the following documents:

- Report of the Department of Defense Task Force to Reengineer Travel - January 1995
 - Deputy Secretary of Defense Memorandum - 23 January 1995
 - Under Secretary of Defense Memorandum - 27 January 1995
 - Department of Defense Travel Reengineering Pilot Report to Congress - June 1997
 - Functional Requirements Document & Technical Requirements Document that are included in the original DTS Contract
- "the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) (ASD(C3I)) designated DTS as a special interest initiative rather than a major automated information system acquisition program;"

Non-concur with the assumed assertion by the DoDIG that DTS should have been a MAIS all along. The original concept of DTS was to contract for a service provider to use commercial off-the-shelf (COTS) software integrated with CTOs and various DoD systems. The contractor was envisioned to receive a "fee-per-transaction" for providing these services. Anticipated funding was below the thresholds for designation as a Major Automated Information System (MAIS) acquisition, therefore DTS did not warrant a MAIS designation.

- "DoD oversight organization failed to appropriately address significant indicators of DTS Program implementation problems"

Once a determination was made that DTS was experiencing implementation problems and that there were potential problems with the original contract strategy, a Program assessment was directed in January 2001. Pending the results of this assessment, DTS implementation efforts were paused until the assessment was completed. Results were presented to DoD senior leadership who made a determination that the Program was able to meet the vision of a DoD-wide reengineered travel process; however, modifications to the contract would be necessary. The Program was then given the direction and authority to proceed, with markedly increased DoD oversight.

- "the PMO had not yet accomplished remedial actions directed by the Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense (Comptroller) in July 2001."

This statement is misleading. There are nine overall, broad actions specified as an Attachment to the July 2001 Memorandum. Only Action Item 1, a portion of 2 and 5 are PMO-DTS controlled actions. However, the PMO-DTS has worked, and is still working all these

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

Action Items with principal stakeholders to ensure the intent of the subject memorandum is carried out. The status of these Action Items is as follows:

Action Item 1: The DTS Program Director in coordination with the Military Departments and Defense Agencies, will complete operation testing, conduct scalability testing, finalize an integrated deployment plan for pilot and high volume sites, and conduct an operational assessment to facilitate full implementation of DTS.

Operation testing and an operational assessment are completed. The scalability testing will occur after completion of the second DTS Regional Data Center (RDC) in early FY04. The Deployment Plan for pilot sites is complete. DTS is currently fielding to pilot sites. Phase II, high volume sites, are scheduled for fielding in FY 03 through 06.

Action Item 2: Upon completion of the necessary contract actions, United States Transportation Command (USTRANSCOM) will assume responsibility of the DTS mission, oversee Program Management Office (PMO) activities and approve program milestones, programmatic and system fielding decisions. USTRANSCOM or its designee will be the Designated Approval Authority for DTS systems security certification and chair the DTS Configuration Control Board.

Even though contract modification actions are complete, Program Budget Decision (PBD) No.071, dated December 11, 2001, page 5, states that transition of the PMO-DTS to the Military Traffic Management Command (MTMC) will be deferred to FY 04 to allow the Program to be in full-deployment mode. Nevertheless, MTMC has retained the role of Designated Approval Authority (DAA) for DTS systems security certification.

Action Item 3: USTRANSCOM will ensure DTS compliance with federal financial management systems requirements.

With the transition to USTRANSCOM delayed, the PMO-DTS has taken the responsibility to work with the Offices of the Under Secretary of Defense, Comptroller (OUSDC); Acquisitions, Technology and Logistics (AT&L); and ASD (C3I) and the Defense Financial Management Modernization Program Office (DFMMPPO) to ensure DTS is compliant with all federal financial management system requirements.

Action Item 4: Military Departments and Defense Agencies shall develop a deployment schedule for pilot and high volume sites. This will include appointing designated points of contact (POCs) at each deployment site. The POC will assist the deployment team with system implementation, including local coordination, administrative setup and participant training. Components also must ensure that installation communications infrastructure is sufficient to support efficient use of the DTS. The deployment schedule will include an interim solution (Class III Medium Assurance), as necessary, for the Common Access Card (CAC) until the CAC capability is in place at the site. The DTS and CAC Program Directors will coordinate their respective deployment plans to facilitate an accelerated capability.

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

DTS Fielding schedules are developed annually for each subsequent fiscal year. The schedule for the current fiscal year is complete and encompasses all Phase I pilot sites. Phase II, high volume sites, will be fielded in FY 03 through 06.

Points of Contact are named six months in advance of fielding efforts for each site where DTS is being fielded. Prior to the site POC being named, the Service or Agency POC acts in that capacity and represents the site at the PMO-DTS long-range planning sessions.

Communications infrastructure is validated in advance of fielding efforts via a Base Infrastructure Assessment (BIA). Starting in FY 03, the Services/Agencies will certify their site's communication infrastructure is ready for deployment of DTS using a PMO-DTS developed Site Guidance Package self-assessment.

There have been joint meetings between the PMO-DTS and the Common Access Card-Program Management Office (CAC-PMO) to coordinate deployment schedules. DTS is also working with the CAC vendor-testing program to ensure DTS is operational with all planned CAC vendors. DTS currently functions with either the PKI floppy disk or CAC card.

Action Item 5: All Component official travel service contract solicitations or contract extension will include that the contractor has the option to interface with and use DTS when the system is deployed to a site serviced by the travel service contract contractor. In the interim, and as the DTS is deployed and available for use, contractors shall be encouraged to voluntarily interface with the DTS.

During the first quarter of FY 02, the PMO-DTS established connectivity with CTOs who volunteered to run test scenarios (reservation data) in preparation of DTS implementation at their locations. As of May 6, 2002, four CTOs are operational within DTS and an additional two CTOs will begin DTS testing in May 2002.

Action Item 6: The Defense Finance and Accounting Service (DFAS), the Military Departments and the Defense Agencies, will be jointly responsible for ensuring adequate interfaces between disbursement and accounting systems and the DTS Common User Interface on a priority basis.

DFAS and the Services/Agencies have worked with PMO-DTS to ensure the system interfaces are in place to support the pilot sites in FY 02 and the high volume sites being fielded in FY03.

Action Item 7: Component Chief Information Officers (CIOs) will develop plans for ensuring that communications and base infrastructure are sufficient to allow installations to effectively use the DTS. The Component CIOs shall obtain the review and approval of the DoD CIO of their plans. Component CIOs also will resolve communications problems affecting DTS performance. The Defense Information Systems Agency will assist the Components in addressing DTS communications issues.

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

Although this issue is not a PMO-DTS action item, PMO-DTS is performing BIAs at each pilot site and is working with DISA to modeling all future sites to ensure the infrastructure is sufficient. Results from these assessments are shared with the Services and Agencies to help them determine and address infrastructure deficiencies.

Action Item 8: The Reengineering Travel 0-8 Steering Group shall ensure that membership is appropriate for addressing DTS program issues. The 08 Steering Group will facilitate Military Department and Defense Agency input and coordination for the DTS program. The Commander, Military Traffic Management Command (MTMC), and DFAS will co-chair the Steering Group.

Due to the delay in transition to USTRANSCOM until FY 04. The Office of the Secretary of Defense (Comptroller) (OSD(C)) chairs the 0-8 Steering Committee, with DFAS and MTMC as members.

Action Item 9: DTS will continue to be centrally funded through FY03. DTS funding requirements beyond FY03 will be addressed in the FY03 Program Budget Decision. This includes procedures for billing system user fees and budgeting funds for Program Management Office operations and system development, deployment and other potential costs. System user fees and investment in the base infrastructure required to support the DTS will remain a Military Department and Defense Agency responsibility.

In accordance with the PBD No. 071 dated December 11, 2001, DTS remains an OSD funded Program through FY 04.

Non-concurrence – Management and Implementation of the Defense Travel System (Page 3)

"As a result, there is a high risk that the planned additional investment of \$377.1 million to fully develop and implement DTS and the \$114.8 million and 6 years of effort already invested will not deliver a viable, integrated travel management system. Further, the recently mandated management oversight will not be able to be effectively accomplished without the requisite acquisition documents and analysis needed for informed decision-making."

An integrated DTS is currently operating at seven sites and is meeting TDY travel requirements. Additional functionality will be included in all future Releases that will increase DTS' ability to streamline the DoD travel management process. DTS is not only automating the travel reservation and documentation process; it is reengineering the way DoD manages travel by improving the management of travel logistics, automating the necessary documentation, and reducing the time it takes to provide reimbursement to DoD travelers.

The planned designation of DTS as a MAIS will require the Program to rework some existing documentation and develop some new documentation. A schedule for the coordination and approval of these documents prior to any decision milestones has been developed and coordinated with OSD oversight officials during the Integrating IPT meeting on 3 May 2002.

Non-concurrence - Acquisition Strategy (Page 4)

Project No. D2001FG-0148

7

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

The DoDIG report on the Acquisition Strategy is inconclusive. Further clarification of the PMO-DTS acquisition strategy, from inception, is as follows:

DTS was originally managed as a Special Interest Initiative and the original contract issued as a "services" contract. Funding was below the threshold for a major acquisition program. DTS complies with all required documentation and reporting requirements of a Special Interest Program.

As a Special Interest Program, DTS did meet all documentation requirements and developed an acquisition strategy, economic analysis and test and evaluation management plan.

Non-concurrence – Acquisition Strategy/Security Certification and Accreditation (Page 5)

The Air Force Communications Agency (AFCA) and the Space and Naval Warfare Systems Command (SPAWAR) have repeatedly tested DTS Client Software with "satisfactory" results as demonstrated by the approvals granted for pilot site deployments.

Non-concurrence - Projected Funding (Page 5)

"The PMO has requested approximately \$377.1 million even though it has yet to provide an automated, paperless travel system that meets all DoD temporary duty requirements."

DTS is currently operational at seven DoD sites, and available for use by thousands of DoD travelers. The current version of DTS meets the TDY travel system requirements.

Non-concurrence - Contract Issues (Page 6)

"Because fundamental acquisition documents were never developed, the DTS contract was not properly structured for the implementation of DTS."

The original concept for DTS was to purchase "services" and the original acquisition strategy reflected that concept. Based on the requirements identified in 1995, a services contract was deemed to be the best approach at the time.

Non-concurrence - Problem Indicators (Page 6)

Within the context of the Operational Assessment (OA) at Ellsworth Air Force Base and the Joint Interoperability Test Command (JITC) report, the following statement is misleading:

"...JITC did not consider DTS to be an operationally effective system for all DoD Components".

The report states that DTS is operationally suitable for all Services and Agencies **except the Navy**. The Navy placed service specific requirements on DTS that no other Service or

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

Agency required. However, both "critical elements" mentioned as "failed" in the JITC operational assessment report were corrected in the Adams Release.

Non-concurrence - Developmental Requirements (Page 7)

"As of April 2002, the PMO had not documented the amount or nature of the development required to implement DTS, but PMO officials stated that the required development was extensive. Because the PMO had recognized that DTS would require extensive development by early 1999, the PMO should have informed the Under Secretary of Defense for Acquisition, Technology and Logistics and the Under Secretary of Defense (Comptroller) of that requirement and the need to reconsider the DTS acquisition strategy..."

DTS is using an "evolutionary development" concept that has been briefed and agreed to by the O-8 Steering Committee. DTS requirements are specified in the modified contract for the current configuration and for the Jefferson Software Release, scheduled for delivery in FY03. This modified contract containing the amount and nature of required DTS development was signed on 29 March 2002.

Non-concurrence - Deployment Plan (Page 8)

"Although the PMO originally expected to deploy DTS to approximately 11,000 sites, the DTS deployment plan has been reduced to approximately 260 sites. The revised deployment schedule includes fielding DTS to 10 pilot sites during FY 02 and to approximately 250 high-volume travel sites from FYs 03 to 06..."

This statement erroneously indicates that the PMO-DTS has reduced the number of sites that will receive DTS. When fully implemented, DTS will provide TDY travel services to all the original 11,000 envisioned sites. The deployment schedule was revised, to implement DTS at the high volume/high value travel sites as the first priority, followed by lower travel volume sites and smaller sites. Smaller sites that are geographically close to high volume sites, or are otherwise able to be included in high volume site implementations, will be included if circumstances allow.

"...The PMO and the Defense Finance and Accounting Service have not tested all DoD accounting and disbursing systems to ensure an adequate interface exists with the CUL..."

This statement is misleading. DTS has tested 11 Defense Accounting and Disbursing Systems (DADS) to date and is scheduled to test the twelfth. Those 12 systems will service the sites that are planned for fielding over the next two years. DoD, under another initiative, is consolidating the accounting and disbursing systems. It is not prudent nor is it an efficient use of Program funding to test systems that will not communicate with DTS for over a year. The PMO-DTS is working with DFAS and the Services/Agencies to identify the appropriate timing to test with the remaining consolidated systems.

"The PMO should not deploy DTS to any site until DTS is designated a major automated information system, all acquisition documents have been completed, and program review

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

has been conducted by the Overarching Integrated Product Team and the Milestone Decision Authority has approved the system to proceed."

The DoD 5000 series instructions provide for entry into the process at any point in the acquisition cycle, and pilot sites are an important part of the DoD 5000 Series disciplined acquisition process. In accordance with the planned designation as a MAIS program, the PMO-DTS has initiated meetings with Working Integrated Product Teams, Integrating Integrated Product Team, Overarching Integrated Product Team and the Milestone Decision Authority to ensure required oversight is in place and necessary documentation and analyses are conducted as necessary.

Non-concurrence - Directed Actions/Actions Not Completed (Page 11)

"The DTS original contract did not include essential elements necessary for the effective acquisition of DTS. Specifically, the DTS contract did not define what DTS was required to accomplish in order for it to be functionally accepted nor did it include a test plan..."

The essential elements necessary for the acquisition of DTS have basically remained the same. What was not foreseen when the services contract was awarded were the challenges underneath the requirements, including the development required to interface with other systems (e.g. public key infrastructure, accounting and disbursement systems and records management systems). A Test and Evaluation Management Plan did exist, fully coordinated by all Services and Agencies, by 1999.

Non-concurrence - Conclusion (Page 12)

"DoD envisioned that DTS would represent a 21st century model of efficiency and service, featuring the best practices in industry and plug-and-play components. When fully operational, DTS was expected to provide an automated and paperless system that met the needs of nearly 3.5 million active duty military, reserve, and DoD civilian travelers. Sound business practices and an information technology investment that borders on a half-billion dollars dictate a need for a process to assess progress towards established goals, especially for cost, performance, and schedule. Such a process has not been established for DTS. DoD should validate that a need still existed for the DTS Program..."

The DTS Program has been delayed, but it is not ineffective. A great deal of work has been done throughout DoD to realize the benefits of reengineered TDY travel and significant gains have been made. In fact, at the pilot sites that have fielded DTS, the reengineered travel system has reduced the number of steps to process travel authorizations and vouchers by an average of 70%. The Services and Agencies are supporting the DTS effort, they appreciate the value of a simplified integrated travel system. It should be noted, that DoD has already validated "that a need still exists for the DTS program".

PMO-DTS, DoD and TRW have proven that DTS works, end-to-end, in real-time operations. DTS has been successfully fielded and is operating currently at seven pilot sites and is in the process of being fielded to four additional sites within the next 90 days.

PMO-DTS DRAFT RESPONSE TO DoDIG'S FINAL DRAFT AUDIT REPORT

DETAILED RESPONSE

The PMO-DTS Economic Analysis and Life Cycle Performance Measures, and their updates, show that DTS is a cost effective solution for DoD TDY travel.

Non-concurrence – Recommendations (Page 13)

Recommendation 1 is in direct conflict with Recommendation 3, as indicated below:

"Recommendation 1: We recommend that the Under Secretary of Defense (Comptroller) suspend the Defense Travel System Program funds, development and deployment until DoD has determined whether the Defense Travel System is the most cost effective solution for a streamlined DoD travel process."

"Recommendation 3: We recommend that the Under Secretary of Defense for Acquisition, Technology and Logistics; the Under Secretary of Defense (Comptroller); and the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) review the progress made by the (Program) Management Office in implementing Recommendation 2, and determine whether the Defense Travel System Program should continue or be terminated."

If funds were suspended in accordance with Recommendation 1, the Program would, for all practical purposes, be terminated making the review of the Program, as noted in Recommendation 3, unnecessary. However, Technical and Functional assessments were conducted in FY 01 in accordance with USD(C) and USD(AT&L) direction. Results of the review were presented at multiple briefings to various management levels within DoD. A determination was made that DTS was meeting the vision of a DoD-wide reengineered travel system. DoD recognizes the original concept of integrating DoD systems and Commercial Travel Services was far more complex than originally thought and that the ability to start the fielding effort within 120 days was unrealistic. However, significant progress has been made in developing DTS and DoD is beginning to realize the benefits of the reengineered travel process.

Recommend that the DoDIG delete Recommendation 1 due to its conflicting guidance with Recommendation 3.

Partial Concurrence - Recommendations 2 and 3 (Page 13)

All "essential acquisition documentation" is currently being implemented. ASD (C3I) will designate DTS a Major Automated Information System, and oversight will be in accordance with DoD 5000 Series of acquisition system directives, instructions and regulations.

The Program Management Office (PMO) has initiated the creation of all required DoD 5000 Series documentation including that identified in recommendation #2. In addition, the PMO has formed several Working IPTs, of which some have met, plus conducted its first Integrating IPT. Representation from USD (Comptroller), USD (AT&L) and ASD (C3I) staffs were present. The PMO also briefs senior members of the above three organizations on a monthly basis so they are continually informed of the program's progress.

Project No. D2001FG-0148

11

Deputy Under Secretary of Defense for Logistics and Materiel Readiness Comments



DEPUTY UNDER SECRETARY OF DEFENSE FOR
LOGISTICS AND MATERIEL READINESS
3500 DEFENSE PENTAGON
WASHINGTON, DC 20301-3500

MAY 28 2002

MEMORANDUM FOR DIRECTOR, FINANCE AND ACCOUNTING DIRECTORATE,
OFFICE OF THE INSPECTOR GENERAL OF THE
DEPARTMENT OF DEFENSE

THROUGH DIRECTOR, ACQUISITION, RESOURCES AND ANALYSIS *Ms. Gilioz*

SUBJECT: Draft Audit Report on Allegations to the Defense Hotline on
Management of the Defense Travel System (Project No. D2001FG-0148)

We appreciate the opportunity to comment on the April 30, 2002, subject draft audit report. Our position and response to the draft report's recommendations are at attachment 1. General comments and points of clarification are at attachment 2. My point of contact for this action is Mr. Ken Stombaugh at (703) 601-4461, extension 141 or Kenneth.stombaugh@osd.mil.

for Diane K. Morales

Attachment

Copy Furnished:
USD(Comptroller)
ASD(CJ)



Final Report
Reference

Revised
Page 12

RESPONSE TO
OFFICE OF THE INSPECTOR GENERAL (OIG), DEPARTMENT OF DEFENSE (DoD)
DRAFT AUDIT REPORT ON
ALLEGATIONS TO THE DEFENSE HOTLINE ON
THE MANAGEMENT OF THE DEFENSE TRAVEL SYSTEM
PROJECT NO. D2001FG-0148, DATED APRIL 30, 2002

REPORT RECOMMENDATIONS

RECOMMENDATION 1: We recommend that the Under Secretary of Defense (Comptroller) suspend the Defense Travel System Program funds, development, and deployment until DoD has determined whether the Defense Travel System is the most cost effective solution for a streamlined DoD travel process.

OUSD(AT&L) RESPONSE: Non-concur. In January 2001, the USD(AT&L), in conjunction with the USD(C), imposed a strategic pause in the DTS program and directed that technical and functional assessments be completed. The assessments validated that the DTS remains a viable system for meeting future Defense temporary duty travel requirements while providing broad benefits to the Department. Accordingly, in a July 17, 2001 joint memorandum, the USD(AT&L) and USD(C) approved proceeding with DTS program implementation. However, in recognition that the system had migrated from a "services" contract to a "systems acquisition" program, the memorandum also directed DTS be brought in line with DoDI 5000.2 to ensure greater acquisition discipline.

The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) (ASD(C3I)) is in the process of designating the DTS an Acquisition Category IAM program. As such, DTS will be subject to the discipline previously lacking in the program. We believe that DTS is now in the appropriate acquisition oversight channels and is the proper venue for future program milestone decisions including decisions concerning the continuation or termination of DTS.

RECOMMENDATION 2: We recommend that the Project Management Office comply with the intent of the Clinger-Cohen Act by managing the Defense Travel System as a major information technology investment; establishing proper security in accordance with DoD Directive 5200.28 and DoD Instruction 5200.40; and developing essential acquisition documentation needed for effective oversight, including:

- a) a mission needs statement,
- b) an operational requirements document,
- c) a life-cycle cost estimate,
- d) an acquisition program baseline, and
- e) a test and evaluation master plan

OUSD(AT&L) RESPONSE: Concur. This is the discipline envisioned by the July 17, 2001 joint USD(AT&L) and USD(C) memorandum.

RECOMMENDATION 3: We recommend that the Under Secretary of Defense for Acquisition, Technology and Logistics; the Under Secretary of Defense (Comptroller); and the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) review the progress made by the Project Management Office in implementing Recommendation 2, and determine whether the Defense Travel System Program should continue or be terminated.

OUSD(AT&L) RESPONSE: Partially Concur. As noted in our response to Recommendations 1 and 2, program progress will be monitored and decisions made in accordance with DoD 5000 series milestone reviews and other key requirements, e.g., the Clinger-Cohen Act. OUSD(AT&L) will be an integral part of the DTS milestone review process. However, the recommendation implies that AT&L, Comptroller and C3I conduct an immediate, separate review (aside from the ongoing DoD 5000 series Milestone Review process) of the progress being made by the DTS Project Management Office and make a decision whether the Program should continue or not. We believe the decisions contained in the July 17, 2001 memorandum remain valid and that any future decision to continue or terminate the DTS should be vetted through the DoD 5000 series milestone process as envisioned by that memorandum.

Attachment 1

RESPONSE TO
OFFICE OF THE INSPECTOR GENERAL (OIG), DEPARTMENT OF DEFENSE (DoD)
DRAFT AUDIT REPORT ON
ALLEGATIONS TO THE DEFENSE HOTLINE ON
THE MANAGEMENT OF THE DEFENSE TRAVEL SYSTEM
PROJECT NO. D2001FG-0148, DATED APRIL 30, 2002

GENERAL COMMENTS

1. Page 5, 2nd paragraph, 3rd sentence: Draft states: "DoD does not consider special interest initiatives subject to acquisition policy requirements."

Comment: While that statement is true in most instances, oversight of special interest initiatives is typically tailored given the level of interest, e.g., Navy-Marine Corps Intranet (NMCI) and Defense Information Systems Network (DISN) at one time.

2. Page 5, 3rd paragraph, 2nd sentence: Draft states: "DoD Components and the PMO have not addressed the security requirements for the DTS software at the proposed sites where DTS will be deployed. Specifically, the System Security Authorization Agreement developed by the PMO only addresses the certification and accreditation of DTS at the contractor site."

Comment: The PMO has completed the DoD Information Technology Security Certification Accreditation Process (DITSCAP) process and much of the recent development and Commercial off-the-shelf software (COTS) integration was focused on Information Assurance (IA) and DITSCAP compliance. Since the system is web-based and the contractor hosts the web/application server, the contractor site is the principal certification and accreditation site. The clients have a 1.2 megabyte download as a browser plug-in that addresses the IA's need to use a Common Access Card, etc.

3. Page 8: Draft states: "Deployment Plan. Although the PMO originally expected to deploy DTS to approximately 11,000 sites, the DTS deployment plan has been reduced to approximately 260 sites."

Comment: The change in deployment strategy was designed to focus early attention on those 260 sites that generate the largest volume of travel (85 percent solution). The remaining 11,000 sites are still planned as a Phase III deployment. To the extent practicable, those Phase III sites in geographical proximity to the 260 Phase II sites will be deployed during Phase II.

In addition, the following is a potential recommendation:



1. Page 9, 2nd paragraph, 3rd sentence: Draft states: "Officials from ASD(C3I) stated they reviewed the DTS quarterly reports to determine whether the DTS program was satisfactorily progressing."

Recommend C3I provide major automated information system quarterly reports, now provided in Defense Acquisition Executive Summary (DAES) format, for review by the Information Technology Overarching Integrated Process Team (IT OIPT) members to enhance their value as an oversight tool.

Attachment 2

Deputy Assistant Secretary of Defense (Programs) Comments

Final Report
Reference

	<p>DEPARTMENT OF DEFENSE 6000 DEFENSE PENTAGON WASHINGTON, DC 20301-6000</p>	<p>JUN 10 2002</p>
<p>CHIEF INFORMATION OFFICER</p>		
<p>MEMORANDUM FOR DIRECTOR, FINANCE AND ACCOUNTING DIRECTORATE, OIG</p>		
<p>SUBJECT: Draft Audit Report on Allegations to the Defense Hotline on Management of the Defense Travel System (Project No. D2001FG-0148)</p>		
<p>We appreciate the opportunity to comment on the subject report. Our response to your three recommendations is provided below.</p>		
<p>● RECOMMENDATION 1: We recommend that the Under Secretary of Defense (Comptroller) suspend the Defense Travel System (DTS) Program funds, development, and deployment until DoD has determined whether the Defense Travel System is the most cost effective solution for a streamlined DoD travel process.</p>		
<p>ASD(C3I) RESPONSE: Non-concur. If funds were suspended in accordance with Recommendation 1, the DTS Program would, for all practical purposes, be terminated. This would make the review of the Program, recommended in recommendation 3, unnecessary. DTS Technical and Functional assessments were conducted in FY 2001 in accordance with the Under Secretary of Defense (Comptroller) (USD(C)) and the Under Secretary of Defense (Acquisition, Logistics, and Technology) (USD(AT&L)) direction. Assessment results were presented during multiple briefings to various management levels within DoD, resulting in a determination was that DTS was meeting the vision of a DoD-wide reengineered travel system. The assessment result was a July 17, 2001, memorandum jointly signed by the USD(C) and the USD(AT&L) that approved proceeding with DTS program implementation.</p>		
<p>● RECOMMENDATION 2: We recommend that the Project Management Office comply with the intent of the Clinger-Cohen Act by managing the Defense Travel System as a major information technology investment; establishing proper security in accordance with DoD Directive 5200.28 and DoD Instruction 5200.40 and developing essential acquisition documentation needed for effective oversight, including:</p>		
<ol style="list-style-type: none"> a. a mission needs statement, b. an operational requirements document, c. life-cycle cost estimate, d. an acquisition program baseline, and e. test and evaluation master plan 		
		

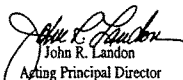
Revised
Page 12

ASD(C3I) RESPONSE: Concur. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) (ASD(C3I)) is in the process of designating DTS an Acquisition Category IAM. Once designated, DTS will be subject to the Department's requirements generation and acquisition management directives, and will be overseen by the OSD and Joint staffs as a major automated information system. This oversight will include ensuring compliance with various security requirements, like DoD Directive 5200.28 and DoD Instruction 5200.40.

● **RECOMMENDATION 3:** We recommend that the Under Secretary of Defense for Acquisition, Technology and Logistics; the Under Secretary of Defense (Comptroller), and the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) review the progress made by the (Program) Management Office in implementing recommendation 2 and determine whether the Defense Travel System Program should continue or be terminated.

ASD(C3I) RESPONSE: Concur. As indicated above, we will review the progress made by the DTS Program Management Office in implementing recommendation 2 at Milestone reviews, the first of which is tentatively planned for March 2003. We will hold regular Integrating Integrated Product Team (IIPT) stakeholder meetings to review program progress between the Milestone reviews. The first DTS IIPT meeting was held on May 3, 2002. The DoD 5000 series Milestone reviews are key decision points occurring in the program's acquisition life cycle that either approve entry into the next phase, or delay or terminate a program. The ASD(C3I) will serve as the Milestone Decision Authority (MDA), and the USD(C) and the USD(AT&L) will be an integral part of the DTS Milestone Review process.

Again, thank you for the opportunity to review and comment on the draft report. The professionalism and cooperation shown by your staff is appreciated. We look forward to working with you again in the future. Should you have additional questions, please contact my action officer, Mr. William May, at (703) 602-0980 x158 or william.may@osd.mil.



John R. Landon
Acting Principal Director
Deputy Assistant Secretary of Defense (Programs)

cc: USD(C)
USD(AT&L)

Team Members

The Finance and Accounting Directorate, Office of the Assistant Inspector General for Auditing of the Department of Defense prepared this report. Personnel of the Office of the Inspector General of the Department of Defense who contributed to the report are listed below.

Paul J. Granetto
Richard B. Bird
Kathryn M. Truex
Jacqueline L. Wicecarver
Sean J. Keaney
Velma E. White
Brian L. Zimmerman
Troy R. Zigler
Vansamai Seumsouk
Lisa C. Rose-Pressley

356

FOUO No Contract

For Official Use Only — No Contract

Defense Travel System Cost Effectiveness Review

Program Analysis and Evaluation

Scott Comes
Elaine Mancino

December 2002

1

Permanent Subcommittee on Investigations

EXHIBIT #6

F O U O No Contract**DTS Cost Effectiveness Review**
Program Analysis and Evaluation
December 17, 2002**Introduction**

In April 2002, the DoD Inspector General (IG) issued a draft report in response to a hotline allegation concerning the management of the Defense Travel System (DTS). The IG initially recommended suspending all funding and deployment of the system until DoD has determined whether the DTS is the most cost effective solution for a streamlined DoD travel process. Instead, the IG accepted a proposal from the USD (Comptroller) for a cost effectiveness review by Program Analysis & Evaluation in response to the IG's draft recommendations. This report provides the results of PA&E's review.

Staff members in the Strategic and Information Programs Division at PA&E reviewed the DTS program cost documentation completed in January 2001, provided questions to the Program Manager, received a demonstration of FAST, and had discussions with several industry representatives. PA&E tried to validate the cost-benefit analysis, evaluate alternatives, and assess risk. Although data is not available to fully quantify all aspects of these areas, PA&E has been able to assess general issues and we have several observations and recommendations. A summary of key findings is provided as an overview. PA&E findings, concerns, and conclusions are discussed in more detail in the next section.

Background

In January of 1995 the DoD Travel Re-engineering Task Force identified several opportunities to improve travel administration in the Department of Defense (DoD). They found that the Department was experiencing exorbitant administrative costs, rigid rules that interfered with the accomplishment of a unit's mission, a travel process that visited "indignities" on the traveler, and responsibilities for travel were stove-piped/fragmented/shared among the Comptroller, P&R, and USD, AT&L. In a nutshell, the Department's practices had not kept up with private sector business practices.

The Defense Travel System (DTS) program office established in 1995, is responsible for implementing the DoD Travel Re-engineering Task Force recommendations. The program office provides direction and oversight of a contract with TRW to provide a Common User Interface and Commercial Travel Office services for Region 6¹, a soon to be awarded contract for other regions implementing world wide standard Commercial Travel Office services, and overall management of the implementation of the Defense Travel System program within DoD.

¹ Region 6 includes the states of N. Dakota, S. Dakota, Minnesota, Nebraska, Iowa, Missouri, Wisconsin, Illinois, Indiana, and Kentucky.

Summary of Key Findings

In summary, most of the improvements in policies and laws recommended by the 1995 Task Force have been achieved. An end-to-end system to improve operations for travelers and supervisors potentially could be provided by the commercial market faster, more efficiently, and cheaper than will be provided from a Department-developed solution. Additional functionality, beyond that outlined in the Task Force report, should not be pursued until the requirements are reviewed and validated. PA&E recommends that the PSA conduct an in-depth analysis of alternatives to thoroughly review the requirements and possible solutions in light of the changes in capabilities since the 1995 study. Furthermore, we recommend the PSA charter a pilot program to assess whether current commercial tools can be used as partial or complete end-to-end solutions.

Policy Changes. The DTS program is a good example of re-engineering business processes. Virtually all of the DTS policy changes recommended by the Task Force (including changes to laws) have been implemented which has already simplified the travel processes in the Department and increased efficiencies in DoD travel practices. Moreover, even without an end-to-end software solution, the 1997 pilot test sites decreased labor costs providing benefits of over 50%. Given the success of these policy changes combined with COTS packages, it is not clear that an integrated end-to-end solution is needed.

Program Requirements. With the "Jefferson" release in March 2003, about half of the required functionality will be delivered. The remaining functionality will be delivered in three releases, with full capability in FY06. Software development over the next two years is expected to provide many features that are available in the commercial market already. The 1997 DTS pilots have been enhanced with installation level unique software that is currently in use. These software products may provide core functionality to users earlier than the full DTS is scheduled to deliver. Further investment in DTS may not be warranted.

Risk. Requirements growth in software development programs can adversely affect schedule and cost expectations. Likewise, projects that take longer to deliver software also risk requirements volatility as environments and expectations change. The requirements and testing processes are designed to reduce these risks by linking requirements to mission needs and ensuring that the product meets the defined needs. In 1995 the Task Force did not specify the functionality for the end-to-end system, thus, success criteria for the DTS program cannot be traced to mission needs. In attempting to keep pace with ever increasing capabilities in commercial travel software, the probability of requirements growth in DTS software development will increase before final delivery in FY06. Additional requirements growth may result because of incomplete analysis. The program office is planning to add Permanent Change of Station (PCS) capability after FY06. This requirement was not addressed in the Task Force recommendations and mission needs in this area have not been identified yet. The desired outcomes of the DTS effort need to be identified and measured in the Department's management processes.

F O U O No Contract

Benefits. Travelers and supervisors will receive improved functionality from the end-to-end system, such as streamlined voucher processing and added commercial travel capabilities. But, none of these benefits result in actual cost savings.

Costs. Over the lifecycle of the program, the program office estimates that DTS will save DoD 15% in travel overhead compared to the current manual process. The majority of the savings are the result of program office estimates that finance personnel and DFAS staff costs associated with computing vouchers can be reduced 90%, from \$72 million to \$7.2 million per year. Data on rates for computing vouchers suggests that the Services could already perform this function more efficiently and at lower cost than DFAS. If this is true, an alternative solution for travel reengineering would be to allow the Services to compute the vouchers for the Department instead of DFAS. Another alternative solution may be a limited version of the end-to-end solution, using commercial software without significant additional development, or accept a current DoD system that is a limited version of an end-to-end solution. Because there may be alternative solutions that are less expensive, PA&E cannot verify that DTS provides the most cost-effective solution.

F O U O No Contract

Recommended policy changes

The 1995 Travel Reengineering Task Force was commissioned by the Department to evaluate ways to improve travel practices. It recommended policy changes in four areas:

- improvements to the accounting and finance processes and practice,
 - simplify entitlements and accounting,
 - minimize receipt requirements,
 - embed accountability throughout the system,
 - use random audits rather than auditing each travel voucher
- restructured organizational responsibilities,
 - empower travelers, commanders, and CTOs²
 - develop a DoD standardized full services contract, mandate the use of CTOs, and establish a single entity within DoD to perform the CTO contracting function
 - align funding with the authority to travel
 - authorize supervisors that approve travel to approve the travel vouchers
 - one standard form produced by a seamless, automated system should be the goal
- modified travel policies,
 - remove requirements for use of government quarters for business travel
 - remove the requirement for statements of non-availability.
- implementation of government travel charge cards
 - maximize use of commercial government sponsored charge cards
 - use electronic funds transfer to reimburse the traveler and pay the card company

Accomplishments Reported to Congress

The DTS program office initially focused on addressing these policy issues. In its 1997 Report to Congress, the program office stated that the DTS travel re-engineering program “has changed bureaucratic culture and regulation by emphasizing delegation and decentralization of management authority.” Significant accomplishments of the program at that time included:

- simplified personnel entitlement policies
 - 75 percent Meals and Incidental Expense on the First and Last Days of Travel
 - \$75 receipt threshold for business expense receipts (increased from \$25)
 - acceptance of faxed vice original copy, signature, and receipts
 - registration fees for conferences charged to travel budget code instead of training budget codes

² The Commercial Travel Offices (CTOs) efforts were not reviewed as part of this report because they are not as mature as the other recommended policy changes. Additional analysis of the CTOs may be desirable.

FOUO No Contract

- standard use of electronic funds transfer for payment of travel reimbursement
- random audit policy and procedures
- Four (2 COTS and 2 GOTS) computational software products received limited validation of the entitlement computation

Laws were changed

In addition, several laws and regulations were changed as part of the new operational concept:

- repealed prohibition to pay lodging expense to civilian employee who does not use adequate available government housing,
- repealed the requirement for separate receipt documentations and certification of long-distance telephone calls
- amended reporting of the percentage of room-nights that employees on official travel spend in hotels/motels that meet the fire safety requirements in the statute.

DoD reported that they were working with other government agencies to change IRS regulations for receipt retention, GAO regulations related to digital signature, and National Archives and Records Administration for records retention changes.

Findings. Most of the Task Force policy recommendations have been implemented. The manual, paper-driven, outdated processes that the Task Force discussed in its recommendations have been re-engineered for a more efficient and effective travel process. Many of the efficiencies for travelers and supervisors have already been achieved. Before embarking on delivering additional functionality, the Department should reevaluate the current state of its travel requirements.

DTS Program Requirements

According to the 1997 report to Congress, the DTS vision is a “seamless, paperless system that meets the mission needs of travelers, commanders, and other travel resource managers, reduces the cost of travel, and provides superior customer service.” The report states that the concept of operations integrates policies of various parts of the travel system, such as travel arrangements, personnel entitlements, budgeting, accounting and financial management. Further, it envisioned that these integrated policies would be incorporated into COTS software. The capabilities would capture pre-negotiated and best available transportation, lodging and rental car rates, flag exceptions to policy, compute allowable expenses, update organizational travel budget, and reimburse travelers through electronic fund transfer to their bank account or credit card. The system envisioned would be supported by automated edit checks, supervisory approval, and post-payment random audit techniques.

F O U O No Contract

Contract for Services Awarded

It is not clear that one single software system was intended to achieve this vision. The report of the Task Force identifies fragmented travel responsibilities across several functional communities as burdening the users. Single-source data entry was recommended as a building block of the re-engineered travel process. The Task Force also identified that data from the CTO and the credit card company should be used to develop management information systems. The Task Force clearly stated that a "system can use technology as an enabler for simplification and better control, but progress need not await automation: the system should be re-engineered first, then automated." Thus, the Task Force did not focus solely on creating an automated system, but on structuring a travel process that works for the traveler and the Department.

The Task Force recommendations did not establish a software development acquisition program to meet the goals of the program. The 1998 TRW contract included a one-time deployment fee (\$20) for each user and an initial transaction fee (\$5.27) for each travel voucher processed. The schedule in the contract required DTS deployment to commence within 120 days of the effective date of the contract, with implementation at 11,000 worldwide sites approximately 38 months later.³ This aggressive schedule suggested that little software development was expected.

At the time of contract award TRW was tasked to provide various IT services to the government, such as software development, deployment, and fielding. A services contract arrangement was chosen to foster the latest commercial advances in travel management services at the most economical prices. After experiencing numerous technical problems that principally involved the lack of an adequate COTS product that could satisfy the current contract requirement without major alterations, a decision was made by DoD to restructure the TRW contract to address the significant IT development issues necessary for the success of the DTS program.

Contract restructured to develop software

The plan for the DTS program at the time of contract award likely represented best practices. But, it is not clear that this is still the case. The program office now estimates that only two thirds of the DTS end-to-end system requirements can be met with COTS and the other third will require software development. Accordingly, the contract was restructured last year from a service effort to one conducive to developing software. Furthermore, the program is now an established Major Automated Information System program in the Department's acquisition process and a formal Operational Requirements Document is being developed and staffed with the Joint Staff.

³This timetable was identified in the IG report; the PMO includes the option years for a 56 month contract timeframe.

FOUO No ContractUpdate mission needs

The requirements for this program have not been reviewed in a thorough analysis of alternatives that considers changes since the original Task Force assessments. As such, functional outcomes have not been updated or well defined, nor is it clear that there are firm criteria for assessing the success of the program. An updated analysis should be completed to ensure that unique development is truly needed and that commercial COTS products cannot provide the needed capabilities.

Recently, representatives from the travel industry indicated that many of the DoD required capabilities are already available in the commercial software market. These representatives indicated that the Department of Veteran's Affairs has taken advantage of the commercial web-based software available. In less than one year they have implemented software and used commercial tools to set up business rules for their organization and establish interfaces with their internal accounting systems. The industry representatives also identified that security is robust so that the U.S. Marshall's Service can use a commercial travel package with few changes. These capabilities are usually procured through service agreements based on voucher processing requirements. PA&E recommends DoD conduct an independent review of these claims.

Many features needed by the government are available in most commercial-off-the-shelf travel systems today so it is not clear why DoD needs to continue to invest in development of its own travel capabilities. Although commercial software packages providing the desired travel capabilities did not exist in 1995, this market has grown in the last seven years. Many new web-based tools are available today on the internet. These internet tools interface with airline, hotel, and rental car reservation systems. They accept credit cards over secure lines. They display prices, schedules and identify availability of special discounts, package deals, seat assignment, meal plans, providing a myriad of services and information directly to the traveler during all phases of travel planning.

Review industry trends to forecast availability

DoD requirements need to be compared against commercial trends and software availability to see if developing this functionality is worth the cost. This is especially important for the capabilities that will be provided near the end of the DTS program that might be met by new or upgraded commercial products. If commercial products are heading in the direction that DoD would like, further DoD unique development may not be needed.

Several DoD-unique requirements have not been scheduled in any of the planned releases. Specifically, the DFAS Corporate Database (DCD) interfaces, GATES interface, PERSTEMPO interface, direct vendor reservations, interface with the BQ Lodging system, and user interface enhancements have not been scheduled. It is not clear

F O U O No Contract

how these requirements fit into the program schedule and if there is a possibility that improved commercial products can support DoD's functional requirements. If DoD-unique requirements will not be needed for some time or they "enhance" DoD capabilities at a relatively high cost, it is not clear that development is prudent. The Department may be "chasing" DoD-unique requirements.

Findings. A hard scrub of DoD-unique capabilities should be completed to assess why they are unique and which ones are truly necessary. The review should also examine commercial options for satisfying the DTS requirements from a marginal cost and benefit perspective. If the review shows that a majority of the functionality can be achieved with no additional investment in unique software that the Department will have to maintain, an end-to-end capability may not be necessary.

Pilot Test Results

After the Task Force recommendations were published, DoD conducted pilot tests of the operational concept of the re-engineered DTS at 27 sites. The pilot sites tested the operational concept of DTS by implementing policies and stand alone COTS packages. These pilots did not test end-to-end software solutions and they did not compare potential COTS or Government-Off-The-Shelf (GOTS) system-solution packages for the purpose of making a product selection.

Findings. Even without an end-to-end solution, the Department reported positive results to Congress in June 1997. As reported to Congress, the experience at the pilot sites reduced the average number of steps in the travel process from 40 to 21, process time from 4.5 hours to 1.7 hours, payment cycle time by almost half from 11 days to six days. The pilot sites administrative labor costs decreased an average of 56%, from \$93 to \$41 per voucher. The pilot sites also reported that user satisfaction was increased by 100%. Significant efficiencies and enhanced effectiveness were experienced without the end-to-end process and without the associated costs of the full DTS program.

Developmental Travel Systems

It is not clear that an end-to-end system is required to achieve many of the desired benefits. Air Force pilot sites used a COTS package called Travel Manager 7.1 in their pilot test and they have continued to use this package since then. Additional interfaces and capabilities have been built using the COTS package as a "core" product and adding capabilities to satisfy "installation level" travel requirements. The resulting software is known as "FAST". FAST does not provide an end-to-end system that connects automatically with DFAS systems. The maintenance costs of the software are covered through a license fee based on the number of vouchers processed. FAST is in use at twelve Air Force bases, including some in Europe. Other test sites may have developed additional capabilities around their initial pilot products.

When the TRW contract was awarded, the Travel Manager software was upgraded to handle 32-bit processing and printing capabilities (now called Travel

F O U O No Contract

Manager 7.1c). The program office added DoD unique capabilities and renamed it "DTS Limited" because it does not fully automate all the interfaces with DFAS, or offer full functionality for security, and commercial travel offices (CTOs). This software effort was completed in the spring of 2002. The DTS Limited capabilities allow users to create travel authorizations, compute travel settlements, pre-audit documents, and print necessary travel documentation.

The FY2001 National Defense Authorization Act, Section 392 required a Report on Defense Travel System, including discussion on the cost/benefits of DTS Limited. In this report, the Comptroller states that DTS Limited fielding began in May 2000 with 8 initial sites, but further fielding was delayed pending the outcome of operational testing for the full DTS program. Preliminary analysis by Comptroller indicated that using DTS Limited as an interim package could save \$2.3 million over 30 months. This estimate should be updated to assess whether DTS Limited could provide a cost effective total solution without additional development.

The Joint Staff demonstrated FAST capabilities to PA&E and commented they found it very useful. Other reviews of FAST have also been very favorable, although it does not provide end-to-end capability and connectivity to DFAS. The Air Force has received permission from the Travel Re-engineering Office to implement DTS Limited at nine sites in the Pacific. It is likely that DTS-Limited will be received favorably and yield benefits as well.

The latest release of DTS makes strides toward achieving required functionality that will support the end-to-end system. This release may provide enough capability to significantly reduce the users' time and generate savings. The Economic Analysis currently underway to support the Milestone C decision in spring 2002 will provide insight into costs and benefits for subsequent program releases. The economic analysis may provide the cost/benefit data needed to assess how much further the DTS program should go.

Findings. Withholding deployment of a travel system until DoD-unique end-to-end capabilities are available delays savings and benefits. OMB and GAO recommend that capital investments in software be developed incrementally with benefits associated with each increment. The program office projects almost all of the real cost savings for DTS will come in the computation of travel vouchers. This capability is already available and is interfaced with the developmental products – DTS Limited, FAST, and the latest release of DTS. Each subsequent release should be reviewed to ensure that its development is worth the additional cost.

Other developing initiatives related to travel

The Financial Management Modernization Program may affect the DoD accounting environment. Preliminary information is not yet available to assess the impact that this effort may have on DTS operations. However, it is likely that

F O U O No Contract

streamlined processes and a reduction in financial interfaces will improve the feasibility of using COTS products.

OMB is establishing an e-government initiative for travel. Their current plans assume implementation of their government-wide solution in December 2003, three years before DTS is completed. However, the DTS program office is concerned that the eTravel initiative will not meet DoD's needs. Their specific concerns include:

- integration of the e-Authentication requirements for Digital Signature and authorized use of the system
- plans for electronic archiving
- coordination of final requirements with all Federal Agencies
- plans for integration with financial system
- likelihood of success in the short time period.

Furthermore, the program office states that the eTravel initiative does not meet all DoD requirements for an integrated end-to-end solution. They contend that DTS is several years ahead of the OMB initiative and that DTS could be a foundation for eTravel.

Findings. Until these initiatives are more mature they can not provide viable options, but should be monitored.

Program Test Status

DTS capabilities testing was conducted in phases beginning in 1998. The report to Congress required by the FY2001 National Defense Authorization Act details the number of tests and the outcomes of each. The tests were to be completed in September 1998, but the Computation Module added to the original core 7.1a did not receive certification until January 1999.

And although the Computation Module received certification in January 1999, operational test of the full system functionality (including the required external interfaces) encountered significant problems. Problems included software errors, slow system response times, and lack of current data in the Defense Management Data Center (DMDC) database supporting DTS databases. These problems delayed the initial deployment of DTS.

Two operational assessments were conducted on the Washington release, one in the spring of 2001 and the second during the summer of 2001 with better results. While assessments were wrapping up in the summer of 2001, the contract was restructured in July 2001. (Final test results were issued subsequent to the restructure in November 2001.)

Findings. The software testing has revealed problems significant enough to cause program delays. Data provided by the program office in the course of this effectiveness review indicates that test results have improved. However, the program still has a considerable ways to go before full functionality is delivered. PA&E experience with

F O U O No Contract

other programs suggests that risk mitigation strategies such as those offered through independent software evaluation may be useful.

Risk

Schedule risk. The DTS contract was awarded to provide travel services on an aggressive schedule with implementation to start 120 days after the award of the contract and completion within 38 months. Under the original schedule, the DTS program was to be fully implemented at 11,000 sites in the fall of 2001. With the current contract, implementation has been extended to FY06, a slip of five years.

The program office estimates that just over half of the program functionality will be delivered with the next release (Jefferson) in the spring of 2003. The Jefferson release is expected to provide enough capability to begin full deployment. It is anticipated that deployment and development of the functionality in the three remaining releases can be managed at the same time to provide full operating capability at all 11,000 sites in FY2006. Fielding to such a large number of sites creates substantial complexity in the schedule and implementation of the program.

It has taken four years to achieve about half the required functionality with an additional three years needed to provide full functionality. The majority of information technology programs that PA&E reviews anticipate delivery of the software capability earlier than is actually achieved. PA&E has not received sufficient information about the future releases to evaluate risk in the software development schedule.

A large schedule risk may become evident next spring when the Services begin to implement. Many programs experience schedule slips when program requirements are not identified early and incorporated into the Services' budgets. PA&E has not been able to identify Services' funding for DTS and Service implementation plans have not been provided as part of the program documentation.

Funding. This fall, Office of Management and Budget (OMB) is reviewing information technology programs to eliminate redundant programs. This should be considered in evaluating the cost effectiveness of additional DoD software development and any unique software requirements should be fully justified with documented benefits or the Department risks losing that money to OMB.

Requirements growth. The program office stated that about half of the requirements for DTS were derived from the Task Force recommendations. The other half of the requirements are not adequately documented or linked to a Mission Needs Statement. PA&E is concerned that the lack of traceability for half of the requirements has or will cause requirements growth leading to further schedule slips.

PA&E is also concerned that additional functionality is under consideration without the analysis to support program decisions. The budget and draft ORD in the Joint Staff review process recognizes potential requirements for Permanent Change of

F O U O No Contract

Station (PCS). This additional functionality is not part of the Travel Re-engineering Office's study, nor have requirements been documented in any formal manner. Because they have gone beyond Task Force recommendations, requirements could become unbounded. An analysis of alternatives should be conducted before a decision is made to include PCS as a requirement in the DTS program.

Competition. The software development approach may limit DoD's ability to use competition effectively to reduce travel costs. It is our understanding that DoD has not bought the rights to the software developed for the DTS program. This could potentially limit the number of competitors that may support the Department's voucher processing in the future.

Benefits

The program office identifies the reduction in the time that travelers and supervisors spend supporting the travel process as a significant benefit of the DTS program. These benefits include reduced time spent filling out forms to arrange travel, post-travel activities, and travel authorization. The program office computes travelers' and supervisors' "mission costs" by estimating their time spent arranging travel and filling out paperwork for reimbursement. They estimate that of the \$709 million per year associated with processing and administering travel in DoD, roughly two-thirds (\$475M) is for travelers' and supervisors' time; the other one-third (\$234M) is spent on administration. When DTS is fully implemented, the program office projects the costs of administration and the time for the traveler will be almost equal or a 50-50 percent share in total costs of travel processing. These changes will reduce the traveler costs from the current estimate of \$95 per voucher⁴ to \$34.56 per voucher, a 60% reduction. The largest savings to the traveler and supervisors will be in arranging travel (savings of 50%); the fewest savings will be in post-travel activities (savings of 34%).

Note, that these reductions in "mission cost" will not result in actual cost savings or personnel reductions within the Department. Instead, they represent time savings that will free personnel to do other work. On the other hand, some travelers and supervisors will actually spend more time processing travel documentation, because they will now need to complete "paperwork" on the computer that might have been processed previously by an administrative person. Although the net effect may be a reduction in total workload, some work may have been shifted from lower cost administrative personnel to higher cost travelers and supervisors.

CostsScope of review.

PA&E reviewed the June 1997 Report to Congress that discussed the pilot test of operational concepts for DTS. Cost factors were developed by the PMO from the pilot results and used to create the January 2001 life cycle cost estimate (LCCE) portion of the

⁴ The program office assumes DoD files over 5 million travel vouchers filed each year.

FOUO No Contract

economic analysis⁵. We did not validate the costs or assumptions the program office provided, but have assessed the results. In our assessment we could not explain differences in the baseline for the pilot experience (\$95) and the baseline costs (\$46.80) in the LCCE, although we suspect that the scope of the LCCE did not include all the legacy system costs included in the pilot. Alternatively, the costs for travel administration could have been reduced between 1997 and 2001 because recommended changes in travel policy have been implemented. The program office expects to capture the costs of the legacy systems in the updated economic analysis that will support Milestone C.

Projected savings are heavily dependent on the program office assumption that 90% of all voucher computations will be calculated by DTS instead of by the Service or DFAS. The program office estimates that currently only 46% of vouchers are calculated by DFAS, and 100% of the Air Force and Marine Corps vouchers are computed in-house. PA&E has observed that many programs experience difficulty in getting all services to adopt a centralized system outside of their current process. The program office assumptions would require that 90% of the Air Force and Marine Corps vouchers would be calculated using DTS instead of calculating with their own internal systems. PA&E did not independently estimate the number of vouchers likely to be computed by DTS or the cost, and used the program office assumptions in our assessment. If the Services insist on retaining more processing in-house, the PMO's estimates of savings may be overstated.

Overview.

In the 1997 report to Congress, DoD stated that the existing overhead costs for travel were 15%-30% of direct travel expenses compared with industry cost experience of 10%. The report estimated that DoD spends \$3 billion each year in direct travel (\$1.2 billion each year is spent on airline tickets alone). The report also identified that best-in-class organizations spend about 5% of direct travel costs for travel related administration. DoD could be close to ranking as best-in-class if administrative costs are compared with industry statistics. The program office estimates that annual administrative costs for the DTS program after implementation to be \$168 million or 5.6% of direct travel costs.

The program office estimates cost savings of \$66 million per year in travel administrative costs as a result of implementing DTS. Costs are to be reduced from \$234 million to \$168 million per year, a 28% reduction. The legacy process costs \$46.80 per travel voucher for administrative costs assuming that 5 million vouchers are processed each year. The re-engineered travel program is expected to provide a reduction in administrative costs to \$33.60 per voucher.⁶

Findings. PA&E could not independently assess the validity of these figures. No regular records are kept of total direct travel costs. PA&E does not know if the industry statistics are directly comparable with DoD costs. The program office estimates of the

⁵ An economic analysis is composed of the life cycle cost estimate and a benefits analysis

⁶ Steady state savings in constant FY01 dollars

F O U O No Contract

administrative costs and the cost to travelers and supervisors (mission costs) are extrapolated from experience at the 27 pilot sites.

2001 Lifecycle Cost Estimate.⁷

The total lifecycle cost for the legacy travel system is \$3.8 billion and the lifecycle costs for the reengineered DTS program is estimated at \$3.2 billion, a reduction of about 15%. There are four broad categories of costs:

- The commercial travel office (CTO) is about \$1 billion over the life of the program, an estimated savings of 5% from the legacy program.
- Budget related activities are estimated to be about \$1 billion over the life of the program, a 50% reduction from the legacy program.
- Accounting related activities are estimated at approximately \$0.5 billion with no expected reduction from the legacy program.
- Automated Information System (AIS) costs are estimated at \$0.5 billion – an increase over the legacy by 4.5 times.

Costs and savings are expected to change.

There is some uncertainty in these costs. The program office is currently updating their cost estimates to reflect the restructured contract and other changes.

- They expect the cost to DoD for commercial travel offices could increase because changing business practices are eliminating commissions on plane tickets and car rentals and DoD will bear the burden of the whole cost.
- The program has experienced significant delays and is not expected to reach FOC until FY06.
- Service implementation costs have to be carefully evaluated to understand the risk.
- There is some risk that the cost savings identified for the budget activities will not accrue as a result of the deployment of the DTS software.
 - The pilot sites found cost savings and benefits of over 50% in implementing the operational concept of DTS with COTS.

Cost of investment exceeds marginal savings.

PA&E has not completed a marginal cost-benefit analysis of the DTS software solution because of a lack of cost information for each planned release. However, we compared the estimated savings from DTS with the experience from the pilot site. This analysis provides some insight about the additional savings of the full end-to-end functionality compared with those for the policy changes and operational concept. A more rigorous analysis of marginal costs and benefits should be completed before additional investments are made in software. The program management office intends to perform an analysis that will show the marginal costs and benefits of each release in the next iteration of the EA.

⁷ Costs identified are constant FY01 dollars

F O U O No Contract

The DTS program expects to spend \$537 million between FY01 and FY14 (the DTS life cycle) to complete software development and maintain the DTS system. Recall from the earlier discussion about the pilot sites that the average cost per transaction was \$41 from implementing the operational concept (a non-end-to-end system) and the average cost per transaction after implementation of DTS (an end-to-end system) is \$33.60. The added benefit to the Department for the DTS end-to-end system is then \$7.40 per transaction. This adds up to \$37 million savings per year for fully implementing the DTS end-to-end solution. At this rate, it will take 15 years of savings to break even on the DTS program.

Savings from alternative operating processes.

The Air Force and Marine Corps currently compute their vouchers in-house without DFAS support. After computing the voucher, they send the payment amount to DFAS for disbursement. In fact, for almost 90% of their vouchers, the Air Force uses the same system (IATS) that DFAS uses to compute the voucher. Before DTS is implemented, the average cost is \$38.60 per Air Force voucher. The average total cost per travel voucher paid by the Marine Corps is \$34.82. The average cost per voucher after DTS is fully implemented is \$33.60, using the program office assumption that 90% of all vouchers will use DTS and thus eliminate significant costs from DFAS. The benefits of the fully implemented DTS for the Air Force and Marine Corps are modest, about \$5 for the Air Force and \$2 for the Marine Corps. The Navy spends about \$48 per voucher, the Army about \$53.60, and the Defense Agencies \$56.42 and thus would potentially save more than the Air Force and Marine Corps.

Today's costs per voucher for the Navy, Army, and Defense Agencies are much higher because DFAS computes their vouchers. The Defense Agencies send all of their vouchers to DFAS for computation. The Navy sends just over half of their vouchers to DFAS, the other half they calculate internally at a cost of \$7.39 per voucher. The Army sends 80% of their vouchers to DFAS for computation. The other 20% of the Army vouchers are for the Corps of Engineers and Europe travel, at \$6.07 per voucher (average). The DFAS charges \$24.71 per voucher to be computed, and another \$2.11 for disbursement.

If the Air Force computes all the vouchers, the Department could save over \$40 million without making the investment in DTS. Moreover, the Department would not have to wait until 2006 to reap these savings; the savings could accrue as soon as the Air Force can facilitate.

Findings. It is not clear from this analysis that the DTS end-to-end automated process is the most cost effective solution to re-engineering the Department's travel processes.

Project Management Office-Defense Travel System (PMO-DTS) Rebuttal
To The PA&E DTS Cost Effectiveness Review Dated December 17, 2002

The Project Management Office-Defense Travel System (PMO-DTS) has reviewed the PA&E Cost Effectiveness Review dated December 17, 2002. Although PA&E incorporated thirty-one of the major comments that the PMO provided (on October 25, 2002) to PA&E's draft report (dated October 20, 2002), there are still thirty-one unresolved comments. The areas of concern are summarized into three major categories. First, PA&E's continued fundamental lack of understanding of the user validated requirements and Joint Requirements Board (JRB) approved Operational Requirements Document (ORD). Second, the continued PA&E assertion that Task Force Policy recommendations have been implemented and efficiencies for the Traveler and AO have already been achieved. Third, the report does not address the original tasking from the Comptroller for "a cost effectiveness study."

PA&E's continued use of arbitrary extraction of selected elements of a source document, unwarranted reliance on vendor claims, unsubstantiated assumptions, unfounded assertions, and challenge to approved requirements continue to mislead the reader on the material facts surrounding the DTS program.

PA&E continues to have a fundamental lack of understanding on the user-validated requirements for DTS. The original DTS requirements were documented in the 1995 report from the DoD Task Force for Travel Reengineering. Using this report as a corner stone, representatives of all Services and Agencies developed and agreed to a set of detailed requirements. Additionally, since the DTS Program was designated as an Acquisition Category 1AM on May 28, 2002, the PMO-DTS has developed an Operational Requirements Document (ORD) that clearly communicates the requirements of the DTS program. The Joint Requirements Panel (JRP) and the JRB have approved the ORD. Bottom line, the Defense Travel System has clear, well defined, documented, and user validated requirements. It would be a waste of valuable DoD resources, time, and taxpayer dollars to perform any additional reviews of DTS requirements.

PA&E continues to make an unfounded assertion that legislative and policy changes, as recommended by the Task Force to reengineer travel, have been implemented. The assertion that many of the efficiencies for travelers and supervisors have already been achieved is unfounded. The data and facts from the DTS Life Cycle Performance Measure (LCPM) effort, which span the timeline from the implementation of the legislative and policy changes to present, show that no savings have been achieved to date and substantial savings are still available for capture with the full implementation of the DTS program.

PA&E does not fulfill the original tasking from the Comptroller for a "cost effectiveness study" to include, "a measure of effectiveness that examines the impact on the travel charge card and the ability to improve the Department's management of delinquencies." The PA&E report instead performs an unfounded and fatally flawed analysis of the DTS requirements and current efforts. The current approved DTS Economic Analysis used the PA&E guidance for Return on Investment and shows an ROI of 2.29. The EA also used the OMB guidance for Net Present Value and shows a NPV of \$308M. Even the PA&E LCCE analysis estimated \$600M in tangible cost savings, a clear indicator of the cost effectiveness of the DTS program.

The DTS program is cost effective and we continue to update the Economic Analysis to ensure DTS is remaining cost effective. The PA&E Cost Effectiveness Review is analytically unsupportable and therefore unacceptable. The level of effort required to make the analysis acceptable will be substantial for all concerned. Such efforts will detract from ongoing work to update the Economic Analysis (EA) required by ACAT 1AM provisions. The issues raised in the Review can be captured and addressed in the update of the EA.

For Internal Government Use Only – Not for Public Release

Permanent Subcommittee on Investigations

EXHIBIT #7

Select Major DTS Cost Savings Categories

A. Commercial Travel Office (CTO) fee reduction over a five year period

<u>Contract Category</u>	<u>Current</u>	<u>Projected</u>	<u>Savings</u>	<u>% reduction</u>
DoD Small Business	\$ 76.8M	\$ 22.3M	\$54.5M	71%
DoD Full and Open	\$224.3M	\$137.4M	\$86.9M	61%

Note: the above figures are based upon full implementation of revised contracts

For the DTR-6 CTO contract, cost savings up to 82% (\$23.35 per ticket) have been achieved.

B. Voucher processing Savings

<u>Fiscal Year</u>	<u>DFAS Rate</u>	<u>DTS Rate</u>	<u>Vouchers</u>	<u>Total Savings</u>
04	\$32.56	\$6.33	185K	\$ 4.85M
05 through July	\$34.00	\$6.33	557K	\$15.41M

<u>Fiscal Year</u>	<u>DFAS Rate</u>	<u>DTS Rate</u>	<u>Savings per Voucher</u>
05	\$34.00	\$6.33	\$27.67
06	\$39.04	\$6.65	\$32.39
07	\$47.46	\$7.73	\$39.73

Note: Based on average annual 5.6M DTS steady-state voucher count rate

C. Centrally Billed Account Reconciliation

<u>Fiscal Year</u>	<u>DFAS Rate</u>	<u>DTS Rate</u>	<u>Savings per CBA</u>
06	\$24.27	\$4.00	\$20.27
07	\$23.27	\$4.02	\$19.25

Note: Based on average annual 2.5M line reconciliation workload

For Internal Government Use Only – Not for Public Release

PERSONNEL AND
READINESSUNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

SEP 29 2005

Honorable Norm Coleman
Chairman
Permanent Subcommittee on Investigations
Committee on Homeland Security and
Governmental Affairs
United States Senate
Washington, DC 20510-5250

Dear Mr. Chairman:

I want to thank you and members of your Subcommittee for your interest in the Defense Travel System (DTS). My office will soon assume a new and significant role for this system as part of our continued effort to strengthen management and oversight in a phased plan.

As we assume functional oversight of the entire program, our first order of business is to assess the DTS program viability. Specifically, we will assess whether DTS is delivering increased efficiencies, improved services and achieving cost savings. In doing so, we will study carefully the several reports and evaluations of the system before we take any action, including reviews by the committees of Congress, before we proceed.

The Department clearly understands that we have many challenges ahead in making our travel program more efficient and cost effective. Indeed, the Defense Travel System represents a whole new way of doing business for government and we must ensure that promises and goals envisioned are achievable. We will take the necessary steps to resolve problems. I look forward to continuing to work with you and your Committee on this important program and will provide you the conclusions of my analysis.

Sincerely,

David S. C. Chu

Permanent Subcommittee on Investigations
EXHIBIT #8

RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD
SUBMITTED BY
SENATOR THOMAS CARPER
for
THOMAS SCHATZ
President, Citizens Against Government Waste

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
THE DEFENSE TRAVEL SYSTEM: BOON OR BOONDOGGLE?
September 29, 2005

Q. Mr. Schatz, I note in your testimony that DOD's data on the number of sites at which the Defense Travel System has been deployed may be misleading. Why is that the case? What does this mean for the ability of DOD employees to make use of the system?

Response: The Defense Travel System Program Management Office (DTS PMO) has acknowledged that it "counts" DTS as being deployed to a military base, facility or installation when only a single personal computer at that site has access to the DTS. Thus, there are tens of thousands of DOD travelers who the DTS PMO touts as having access to the DTS but do not have any practical access. So, the system may be "deployed" to a base with a potential 16,000 users, but may only be set-up and used by 1 person. Moreover, there is no indication that significant numbers of DOD travelers have had adequate training on the use of DTS. The DTS PMO has taken the position that it is not responsible for promoting the utilization of DTS after the deployment to a DOD activity.

◇ ◇ ◇

Permanent Subcommittee on Investigations

EXHIBIT #9

RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD
SUBMITTED BY

SENATOR TOM COBURN

for

ROBERT LANGSFELD

Partner, The Corporate Solutions Group

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
THE DEFENSE TRAVEL SYSTEM: BOON OR BOONDOGGLE?
September 29, 2005

1. It appears from your analysis that part of the deficiency in the performance of the DTS is attributable to the fact that some relevant information is not loaded into the Global Distribution Systems. Additionally, I infer that part of the deficiency may be attributable to correctible human errors. But leaving these factors aside, there still seems to be a significant gap in performance between DTS and some of the other e-travel systems. In your opinion, how much of this performance gap can be corrected by improvements to DTS?

Response: I was not permitted access to operate DTS system during our review, so I have to qualify my opinion on this question. Within the scope of my knowledge of the system, the specifications of the system, and the performance of the system, I can say that it appears that the ability of the Defense Travel System to find the lowest airfares, hotel rates and so forth is currently limited because the design and performance are so strongly focused and directed to the CPP program and government hotel and car rental programs. Since the DTS software was designed with these limitations, the DTS system currently cannot display the same level of options as other systems. Significant additional effort and costs will be required to achieve comparable performance and reduce the "gap" between this system and others.

2. Do you believe that the DTS system is capable of becoming as reliable a booking tool as it needs to be – that is, that it will consistently display all the flight options that it is expected to display with the correct fares?

Response: I do not believe that the DTS system will be able to consistently display all available flight options, including those other than the CPP fares. Therefore, I believe that inherent limitations in DTS will result in government travelers booking travel at a higher cost than necessary. I strongly believe that DTS performance needs to be regularly reviewed and audited, and that the scope of an audit should not be limited to only CPP fares as we were tasked to do -- but, rather, that regularly audits be performed to ensure that the system offers the lowest available applicable airfares. Only with regular audits and quality control can any system ever be deemed "reliable."

Permanent Subcommittee on Investigations

EXHIBIT #10

3. To your knowledge, are there any structural defects in the DTS software that would render it unable to achieve optimal performance levels?

Response: The design of the DTS system, and the “sister system in the eTravel program (GovTrip),” has been limited to the display of government CPP fares. The travel industry, in many cases, has significantly lower, comparable fares available to be utilized by the federal traveler. Selection of these alternative fares can significantly reduce the costs to the taxpayer. The inability of the DTS system currently to display these alternative available fares to the traveler is what I consider to be a very significant flaw. This flaw is exacerbated by an apparent philosophy within DOD that it is better to save money on a transaction fee than it is to have the travel agencies intervene when the travel agent sees that a much better fare is available.

In addition, the design and “code” developed by the contractor has been modified to such a degree as to render the system to be subject to extra-ordinary costs as additional modifications and change are required throughout the life cycle of the program. I, and many other experts in the industry, call this a “closed end” system, which refers to the fact that unnecessary costs and effort are necessary to make changes versus what is referred to as “drop and play” of other design systems which just replaces the changes by updates in the software components of the system. An example of this would be an update to Windows, Microsoft Office or a travel system such as Orbitz, Expedia, Travelocity, where updates are incorporated on a continuous basis without much effort by the user.

4. Mr. Langsfeld, I think it would be fair to characterize you as an expert in the field of travel software. On the basis of your broad knowledge in this field, what would you estimate to be the approximate market value of the DTS software and source codes?

Response: This is a question that would take research and review to respond. A rough estimate would be to add the expenses already incurred to bring the system to this point, plus the costs that would/will be incurred to bring the program to an agreed-upon performance level, plus the future cost of maintenance and modifications and updates through the life cycle of the program. Once the total costs are determined, you would then need to factor in the predicted revenues from the program.

The costs already incurred, as I understood them from the testimony presented the other day, is almost a half-billion dollars, just to date. To that I would add between \$50-\$100 million in order to get DTS to perform acceptably today. Therefore, without anything else in the way of future maintenance costs, the “market value” would be at least \$600 million. In other words, that is the Government’s minimum initial investment. If you add in the revenue projections that an investor would consider, then the additional value would certainly exceed a billion dollars. It would be reasonable to assume that the value would be much greater than just what I have identified here.

◇ ◇ ◇

RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD
SUBMITTED BY
SENATOR THOMAS CARPER
for
ROBERT LANGSFELD
Partner, The Corporate Solutions Group

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
THE DEFENSE TRAVEL SYSTEM: BOON OR BOONDOGGLE?
September 29, 2005

Q. Mr. Langsfeld, Mr. Schatz notes in his testimony that DOD's data on the number of sites at which the Defense Travel System has been deployed may be misleading. Why is that the case? What does this mean for the ability of DOD employees to make use of the system?

Response: The reason the DOD data on the number of "deployed" sites may be misleading is that DOD does not want to publicize the fact that the usage of DTS by DOD travelers to make reservations has been minimal, at best. By using the term "deployed," which appears to mean merely that X number of sites have been connected, and that at least one reservation has been made to establish connectivity, DOD officials can leave the impression that the DTS system enjoys a much higher usage and acceptance rate within the DOD community than is actually the case.

In the testimony by Mr. Schatz and the DOD, GSA and other personnel, the distinction was made between financial voucher processing and the use of the entire DTS system. As I recall, the utilization of the DTS voucher processing was fairly high, while the utilization of DTS to actually make reservations was no more than 8%, even at the sites where it has been "deployed" for 2 or more years. It must be remembered that the DTS "system" has been touted as an "end-to-end" system -- that is, to include travel approval, travel reservations, fulfillment/ticketing, and claims processing. The ability of the DOD employees to use the *full* system -- particularly the reservations module -- seems to be quite low and will have a very limiting impact on the ultimate success of the program. It has been my experience that such limitations will cause the federal travelers and users to not make use of the system which will reduce the adoption of the system and therefore increase costs to the Government.

In short, it appears that DOD has tried very hard to retain support for DTS by publicizing high "deployment" rates and "usage" statistics that do not tell the full story. For example, on the DTS website, at http://www.dtstravelcenter.dod.mil/secs/BU_Metrics.cfm, you can find the "DTS Usage Metrics" which might lead one to believe that DTS is being used at as high a rate as 81%. Upon close review, however, you can see that the "usage" being referred to is of the claims vouchering process, not the reservations module. At the hearing, DOD officials had to admit that DTS "usage," as far as reservations were concerned, was no higher than 8%.

It also appears that DOD made certain reservation usage assumptions at the DTS program's inception that had no historical support, yet DOD continued to represent to the travel industry that those assumptions could be relied upon in preparing their proposed transaction fees. Despite repeated concerns from the travel industry and requests for actual reservation usage statistics, DOD officials are apparently reluctant to provide such data and forced the travel industry to assume future usage adoption that had no basis in fact. I believe you heard testimony at the hearing that DOD had not gone back to review whether their initial assumptions were still valid, and were only now doing so at the Senate's request.

I also am quite concerned that if the adoption levels used to justify the DTS and eTravel systems are not achieved -- and so far, they have not -- the costs to the government and the taxpayer will be excessive. Indeed, the travel agency contracts include a provision for adjustment to the transaction fees if the Government's reservation usage assumptions do not materialize. To date the usage assumptions are not even close.

In any event, I am concerned that too much emphasis is being placed on the cost to the government of the DTS transaction fee v. a "traditional" transaction fee, and not enough emphasis is being placed on the actual cost of the travel. Certainly, reduction of transaction costs is a laudable goal, but of what use is a \$20 reduction in a transaction fee if the cost of the ticket is hundreds of dollars more? Here we must differentiate between the cost of a full DTS transaction, including travel reservations and the cost to process a financial transaction. If the adoption level is to be 80-90%, as was referenced, then there will be a significant shortfall in the performance of the program and the costs to the government.

◇ ◇ ◇

RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD
SUBMITTED BY
SENATOR TOM COBURN
for
THOMAS F. GIMBLE
Acting Inspector General, U. S. Department of Defense

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
HEARING ON
THE DEFENSE TRAVEL SYSTEM: BOON OR BOONDOGGLE?
September 29, 2005

1. Mr. Gimble, on August 16, several members of your staff met with members of my staff to explain the process and substance of the DTS contract revision in 2002 between the Defense Department and, at that time, the TRW Corporation. One provision of the new contract included a one-time payment of over \$43.7 million. Do you have any idea what this payment was for?

Response: From the effective date of the basic contract, September 1, 1998, until the restructuring of the contract in 2002, the contractor had not received any payment. The \$43.7 million was a one-time payment for work completed prior to the contract restructure in 2002 plus additional incurred costs such as Defense Travel Systems (DTS) Operations and Maintenance, Global Data Systems (GDS) Connectivity, Site Fielding Support, and Travel Expenses.

2. According to the document prepared by your staff, this \$43.7 million was a “fee for work completed prior to restructure plus additional incurred costs such as DTS Operations and Maintenance, GDS Connectivity, Site Fielding Support, and Travel Expenses.” In other words, this appears to be retroactive payment for costs incurred by the contractor while the original contract was in effect, but which the Government was not obliged to pay under the original contract. Is this correct?

Response: The basic contract assessed a fee per user deployed that includes Customer User Interface integration, functionality, and connectivity. However, instead of applying a fee per user deployed, the restructured contract assessed a one-time fee for work completed prior to the restructure in 2002 plus additional incurred costs, such as DTS Operations and Maintenance, GDS Connectivity, Site Fielding Support, and Travel Expenses, in the amount of \$43.7 million. TRW, the DTS contractor at that time, had not recovered any payments prior to the restructuring even though they had worked on DTS for more than 3 years.

Permanent Subcommittee on Investigations

EXHIBIT #11

3. **At the time this contract was renegotiated, was there anyone in the chain of command who raised an objection that under the Competition in Contracting Act, this renegotiated contract should have been opened for competitive bidding? If so, what happened to that objection? Was a legal opinion about the applicability of the Competition in Contracting Act sought at the time of the contract renegotiation?**

Response: We are not aware of any objections raised by the legal office or anyone else in the chain of command. Information Technology E-Commerce and Commercial Contracting Center Legal Office, which is an element of the Army Contracting Agency, performed legal reviews. To our knowledge, legal opinions on the applicability of the Competition in Contracting Act were not expressed as part of these reviews. However, modifications P00025, P00027, and P00029 to contract number DAMT01-98-D-1005 were challenged in the Federal Claims Court, *CW Government Travel, Inc. v. United States*, 61 Fed. Cl. 559 (2004). The Federal Claims Court determined that the addition of traditional travel services through modification P00029 constituted a cardinal change in the contract. The Federal Claims Court determined that the change made by modification P00029 was not in compliance with the Competition in Contracting Act due to the hindrance of full and open competition. The Federal Claims Court ruled that the work added by modification P00029 must be competed.

4. **The technical term used in the law for a contractual change that would trigger a rebidding is “cardinal change.” I am not asking you a technical question now about the applicability of that term to any real or hypothetical circumstance; but ordinary common sense and good management practice would suggest that if a significant change is made in a contract, legal advice should be sought about whether that change might be considered legally “cardinal,” thus triggering a rebidding of the contract. Do you think that a change from a payment structure based on fee-for-service to a cost-plus structure is significant enough to warrant asking for a legal opinion? What about adding a requirement that the Government rather than the contractor pay for the operation and maintenance of the system: do you think that is significant enough to warrant asking for a legal opinion? How about changing the term of the contract from five years to eight years: would you consider that significant enough to ask for legal advice?**

Response: This question asks whether the following scenarios warranted asking for a legal opinion: 1) a change from fee-for-service to a cost-plus payment structure; 2) the addition of a requirement for payment by the Government rather than the contractor for the operation and maintenance of a system; and 3) the change of the contract term from five years to eight years. These three changes to the DTS contract were included in modifications P00025 and P00027. In addition, modification P00029 added traditional travel services to the DTS contract.

The Army Contracting Officer did obtain legal reviews for modifications P00025, P00027, and P00029 of the DTS contract in accordance with Army guidance requiring its contracting officers to consult with counsel on proposed contracting actions. Guidance to Army contracting officers on the use of legal specialists is set forth in Part 5101.602-2(c) of the Army Federal Acquisition Regulation Supplement (AFARS) which states:

(i) Legal counsel shall participate as a member of the contracting officer's team throughout the acquisition process.

(ii) Legal counsel shall review proposed contracting actions in accordance with locally established procedures and as otherwise required by law, regulation, or policy. While it is not practicable to specify, in the AFARS, an inclusive list of actions requiring legal review at each contracting activity, the expectation is that counsel shall routinely review a full range of acquisition-related actions that have potential legal significance. PARCs and chief counsels shall develop specific legal review protocols that are consistent with this provision.

(iii) Legal counsel shall advise whether a proposed action is legally sufficient with details and a recommended course of action to resolve any insufficiency. Contracting officers shall address and resolve counsel's objections at the lowest possible level. Unresolved objections shall be jointly elevated within the acquisition and legal channels, and, in exceptional cases, brought to the attention of the HCA.

(iv) Legal sufficiency shall relate to areas of statute, regulation, and policy. The Contracting Officer retains sole authority to determine matters that relate to the exercise of business judgment.

The Army contracting officer did apparently follow the AFARS 5101.602-2(c) guidance for the involvement of a legal specialist since legal reviews were conducted for modifications P00025, P00027, and P00029 of the DTS contract. The legal reviews did not provide opinions on whether these changes were cardinal changes or identify these contract actions as being legally insufficient warranting a recommended course of action to be resolved pursuant to AFARS 5101.602-2(c)(iii). As discussed in the response to your third question, the Federal Claims Court ultimately determined modification P00029 to be a cardinal change which did not comply with the Competition in Contracting Act of 1984. See *CW Government Travel, Inc. v. United States*, 61 Fed. Cl. 559 (2004). In the *CW* decision, the Federal Claims Court examined the facts regarding the payment restructuring but declined to determine whether the payment restructuring constituted a cardinal change due to an incomplete record. In declining to declare that this aspect of the contract should be competed, the Federal Claims Court noted that "The overwhelming public interest here is in avoiding further delay to this project." The Federal Claims Court did not address the term change of the contract.

5. You refer in your testimony to the designation of DTS as a “special interest initiative.” By what authority is such a designation made, what does it mean, and why was DTS given this status?

Response: **By what authority is such a designation made?** The DoD Chief Information Officer is the Assistant Secretary of Defense for Networks and Information Integration (formerly the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence). The Assistant Secretary can designate a system or program as a special interest initiative. The Clinger-Cohen Act, Public Law 104-106, February 10, 1996, requires that managers implement deliberate processes for maximizing value and managing the risks associated with the acquisition of information technology. Section 5125 of Public Law 104-106 (section 11315, title 40, United States Code) requires the Chief Information Officer to monitor and evaluate the performance of their agency’s information technology programs and advise the head of the agency whether to continue, modify, or terminate those programs. Personnel from the Office of the Assistant Secretary of Defense for Networks and Information Integration stated that, by designating a program as a special interest initiative, the DoD Chief Information Officer was exercising his authority to monitor the performance of information technology programs that otherwise might not have had such oversight. Although the Clinger-Cohen Act prescribes the duties and responsibilities of a Chief Information Officer, we are unable to conclude whether the authority to designate a program as a special interest initiative is included within the duties and responsibilities prescribed by the Act’s statutory requirements.

What does it mean? Current DoD acquisition policy guidance (DoD Instruction 5000.2, “Operation of the Defense Acquisition System,” May 12, 2003) defines the term, special interest initiative, to mean a program that does not meet established requirements of an acquisition category IAM program, but is nonetheless of special interest to the DoD Chief Information Officer or the Department. DoD Instruction 5000.2 describes various factors that the DoD Chief Information Officer uses when considering whether a program is of special interest to the Department. The factors include the program’s technological complexity, status as a joint program, and its criticality to achieving a specific capability as well as commitment of resources and congressional interest. However, during the period in which we conducted the audit, neither DoD Instruction 5000.2 nor the policy memorandums in the following discussion further defined the term special interest initiative.

June 1997 Memorandum. On June 11, 1997, the Office of the Assistant Secretary of Defense for Networks and Information Integration issued a memorandum, “Designation of Major Automated Information Systems and Other Special Interest Major Initiatives and Related Quarterly Reporting Requirements.” The memorandum identifies special interest initiatives as major information technology investments subject to Chief Information Officer oversight. The memorandum limits special interest initiatives programs’ reporting requirements to submitting tailored quarterly reports to the DoD Chief Information Officer. The Defense Travel System is included on the list of special interest initiatives in the memorandum.

May 1999 Memorandum. In a May 5, 1999, memorandum, "Designation of Major Automated Information System Acquisition Programs/Special Interest Initiatives and Related Oversight Requirements," the Deputy Chief Information Officer defines special interest initiatives as a DoD major information technology investment. The memorandum further states that special interest initiatives do not require Information Technology Overarching Integrated Product Team oversight, but are subject to review by the DoD Chief Information Officer, or the Chief Information Officer from the Department of the Army, Navy, or Air Force. In addition, the May 1999 memorandum requires Chief Information Officers to incorporate Clinger-Cohen Act requirements into regulatory guidance and oversight processes for information technology investments and to tailor management, oversight, and quarterly reporting requirements. This memorandum also lists the Defense Travel System as a special interest initiative program. Although both memorandums define the term, special interest initiative, neither clearly describes all that this designation entails.

March 2001 Memorandum. In a March 30, 2001, memorandum, "Designation of Major Automated Information System Acquisition Program," the Chief Information Officer updated the list of major automated information systems and non-acquisition information technology programs referred to as special interest initiatives in the May 1999 memorandum. The March 2001 memorandum no longer identifies the Defense Travel System, or any other program, as a special interest initiative. The memorandum states that the DoD Chief Information Officer will issue a separate policy memorandum addressing those major information technology investments subject to DoD Chief Information Officer oversight. However, during our audit, the DoD Chief Information Officer did not issue updated guidance addressing the status of programs previously considered special interest initiatives.

Why was DTS given this status? Personnel from the Office of the Assistant Secretary of Defense for Networks and Information Integration and the Defense Travel System Program Management Office stated that the DoD Chief Information Officer designated the Defense Travel System as a special interest initiative because the program had congressional interest from its inception. The program began as part of a transformation project under the purview of Dr. John Hamre, then Under Secretary of Defense (Comptroller). Personnel from the Office of the Assistant Secretary of Defense for Networks and Information Integration stated that, generally, the DoD Chief Information Officer designates programs as special interest initiatives because of projected cost, risk, outside interest (Congress), or interest within the Department. Those same personnel also stated that programs designated as special interest initiatives were not always required to follow standard acquisition policy. As of May 5, 1999, DoD recognized 29 special interest initiatives programs, of which 13 were subject to DoD Chief Information Officer oversight and 16 were subject to Military Department or other DoD Component Chief Information Officers' oversight. However, since issuing Report No. D-2002-124, "Allegations to the Defense Hotline on the Management of the Defense Travel System," July 1, 2002, we have not conducted audit work to determine whether DoD still considers those programs to be special interest initiatives or continues to use the term, special interest initiative, to describe any system or program of interest.



United States Government Accountability Office
Washington, DC 20548

October 14, 2005

The Honorable Norm Coleman
Chairman, Permanent Subcommittee on Investigations
Committee on Homeland Security and Government Affairs
United States Senate

Subject: *Responses to Posthearing Questions Related to GAO's Testimony on the Defense Travel System*

Dear Mr. Chairman:

On September 29, 2005, I testified before your Subcommittee on our preliminary results on our audit of the Defense Travel System (DTS).¹ This letter responds to questions from Senator Coburn that you asked us to answer for the record. The questions and our responses follow.

- 1. Mr. Williams, I am grateful to you for including in your written testimony the appendix on the intellectual property rights to DTS because it helps to illuminate the difficult question of who actually owns DTS. It appears that, as of this moment, the software programs and source codes to DTS are owed by Northrop Grumman, but as recently as last week Northrop agreed to hand over to the Defense Department ownership of those items by the end of the current contract period next year. This question is of more than academic interest because last year Judge Miller of the Court of Claims decided not to inquire into the question of possible violations of the Competition in Contracting Act and not to order a rebidding of the contract, on the basis of his belief that the government would be left with nothing to show for its investment if Northrop were to lose the contract. In order for the judge to reach his decision, it was necessary that Northrop, and not the Government, own those programs and codes.**

To your knowledge, since the time of that court decision last year, has the Department of Defense given anything of value to Northrop Grumman in exchange for the ownership of the DTS software and source codes?

On May 23, 2003, CW Government Travel, Inc., (CWGT), petitioned the U.S. Court of Federal Claims to, among other things, issue an injunction against further performance of the Defense Travel System (DTS) contract, which the U.S. Department of Defense (DOD) and

¹ GAO, *DOD Business Transformation: Preliminary Observations on the Defense Travel System*, GAO-05-998T (Washington, D.C.: Sept. 29, 2005).

Permanent Subcommittee on Investigations

EXHIBIT #12

Northrop Grumman Space & Mission Systems Corporation (Northrop Grumman) modified in early 2002.² CWGT alleged that DOD had “totally restructured” the DTS contract, including the payment structure and the performance requirements, without complying with the competitive procedures called for under the Competition in Contracting Act.³ CWGT sought to have DOD issue a new solicitation to potential bidders, including CWGT, based on the terms, conditions, and requirements of the modified contract.

On August 3, 2004, the Court issued an order and an opinion on motions by the parties for summary judgment on this issue. The Court determined that it had insufficient evidence at that time to determine whether DOD made “cardinal changes” to the contract such that it would be subject to additional competitive procedures.⁴ The Court concluded, however, that even if it were to find that DOD modified the payment structure and requirements under the DTS contract in violation of the Competition in Contracting Act, and assuming that CWGT were “irreparably harmed” by that violation and had standing to sue, the Court could not issue the requested injunction.⁵ CWGT subsequently filed a petition with the Court to reconsider its August 2004 order and opinion. On January 12, 2005, the Court denied this petition and, in doing so, elaborated on the factual basis for its August 2004 opinion.⁶

The Court explained the two factors it considered to be dispositive in denying CWGT’s petition for an injunction. First, the Court found that, in balancing the hardships to the parties, “the significant delay and cost to the Government outweigh the injury to [CWGT].”⁷ The Court stated that “Northrop [Grumman] would walk away with the system that it has developed and the Government would have to start over.”⁸ Second, the Court found that it would not be in the public interest to grant the injunction requested by CWGT because of “the delay in bringing suit and the status of the DTS . . . contract” and because it would likely “take years for a new contractor” to replace the incumbent, largely due to the “challenge of making [a new contractor’s system] compatible with the Government’s legacy systems.”⁹ The Court specifically noted evidence offered by CWGT that its web-based, Government travel management system could not satisfy the requirements of the DTS because it would take considerable effort (and expense to DOD) to develop interfaces with DOD’s other systems.¹⁰ CWGT subsequently filed an appeal of the Court’s order and opinion with the U.S. Court of Appeals for the Federal Circuit, which is still pending.

² *CW Government Travel, Inc., v. United States*, 61 Fed. Cl. 559, 562 (2004).

³ 41 U.S.C. § 253(a). See also 10 U.S.C. § 2304(a).

⁴ 61 Fed. Cl. at 576-77 (outlining a number of factual questions that would need to be answered).

⁵ 61 Fed. Cl. at 579.

⁶ *CW Government Travel, Inc., v. United States*, 63 Fed. Cl. 459, 464-66 (2005).

⁷ 61 Fed. Cl. at 578.

⁸ 61 Fed. Cl. at 578. The Court also relied on assertions included in the Government’s motions that DOD had expended millions of dollars to develop and deploy the system and that “all deployment already in the field will be aborted and continuing deployment will be delayed until [CWGT] is able to develop a functional [system].” 63 Fed. Cl. at 465.

⁹ 61 Fed. Cl. at 579.

¹⁰ 63 Fed. Cl. at 465.

Your question relates to the Court's first finding that there would be substantial cost (*i.e.*, harm) to the Government if DOD were to terminate the current DTS contract so that it could issue a new competitive solicitation based on the terms, conditions, and requirements of the modified contract. In light of our recent description of DOD's property rights in DTS,¹¹ you point out the difficulty of resolving the question of "ownership" of DTS. Specifically, the question suggests that, in stating that Northrop Grumman "would walk away with the system," the Court of Federal Claims must have concluded that Northrop Grumman, and not DOD, owns the software and source codes in DTS.

The Court did not explicitly address the property rights to DTS. As explained above, the Court focused on the impact to DOD of terminating development by Northrop Grumman and replacing it with development by CWGT (or another contractor) using different software—in the case of CWGT, using its "E2 Solutions" system that is part of the U.S. General Services Administration eTravel contract.¹² It was in this context that the Court concluded that DOD would forfeit its investment in the Northrop Grumman development efforts, only to make a similar investment in new development efforts.

As we described in our testimony, the DTS contract incorporates standard DOD intellectual property rights clauses for a system being developed at government expense and it specifically gives DOD perpetual rights to DTS software.¹³ The specific nature of these perpetual rights for different categories of intellectual property generally depends upon the source of the funding for their development and, for commercial software, individual license agreements. For example, TRW (Northrop Grumman's predecessor) obtained a perpetual license to use and modify a key commercial software program and related software documentation and source code for DTS from the entity that holds the copyrights to this property. Pursuant to the relevant DTS contract clause, DOD obtains unlimited rights in any modifications to these items from Northrop Grumman if DOD pays for those modifications. Northrop Grumman recently indicated that it would assign its rights under the license to DOD upon DOD's request at the conclusion of the current DTS contract and at no cost to DOD.¹⁴ However, we did not evaluate whether or to what extent Northrop Grumman might have used this property for other than DTS. Accordingly, we did not assess the value of this license to Northrop Grumman or the value to it of any modifications it developed. Likewise, we have not evaluated the terms and conditions of other commercial software licenses that Northrop Grumman obtained for purposes of performing under the DTS contract or Northrop Grumman's potential use of other software it developed or modified at DOD's expense.

According to the PMO-DTS office, since August 2004, the DOD has not given anything of value to Northrop Grumman in exchange for Northrop Grumman's statement that it would assign its rights to software and source code.

¹¹ GAO-05-998T, Appendix I.

¹² 63 Fed. Cl. at 465.

¹³ We noted that some of these clauses were incorporated into the contract prior to the 2002 modifications to address specific development work.

¹⁴ As we noted in our testimony, DOD officials noted that they are in the process of modernizing the DTS application to include a potential complete replacement of this licensed software with custom developed software. In light of this, DOD officials are evaluating whether they will need this assignment of rights.

2. Do you know whether this transfer of ownership of the software and source codes from Northrop to the Government is being made in fulfillment of any contractual obligation? If so, please specify that obligation and its effective date.

As noted in our response to question 1 and as discussed in appendix I of our September 2005 testimony before your Subcommittee, the rights in different categories of property in DTS are determined by several contract clauses, commercial license agreements, and the funding sources of development efforts. In our recent testimony, we describe the different contract clauses, some commercial licenses, and recent actions taken by DOD and Northrop Grumman pursuant to them. In a recent letter to DOD, Northrop Grumman stated that, upon DOD's request, it would assign its rights to three key software programs and the documentation and source code related to one of those programs to DOD at the conclusion of the current contract and at no cost to DOD. In its letter, Northrop Grumman referenced the DTS contract, the license agreement it negotiated with the copyright holder of the three programs, and recent discussions it held with DOD officials. As previously stated, questions about contract terms and conditions, including property rights, have been raised in the ongoing litigation and these questions relate to ongoing performance under the DTS contract. Accordingly, determining the rights and obligations of DOD and Northrop Grumman under the DTS contract is a matter appropriate for the Court or DOD and Northrop Grumman (or another administrative or judicial forum if DOD and Northrop Grumman where to disagree over their respective rights and obligations).

3. Mr. Williams, I must ask you to speculate here, but you have been in a position to observe the behavior of government agencies and contractors for many years, and your opinion on this matter is worthy of respect. Can you tell me why, in the absence of any contractual obligation or *quid pro quo* exchange, Northrop Grumman might want to transfer ownership of the DTS software and source codes to the Government at this time?

As noted in our response to the previous two questions the rights in different categories of property in DTS are determined by several contract clauses, commercial license agreements, and the funding sources of development efforts. As noted in response to question 2, since there is still ongoing litigation and ongoing performance under the DTS contract, it would be inappropriate for us to speculate on the motives of the parties to the DTS contract.

4. More than a year ago, GAO initiated a study of DTS at the request of several members of the House and Senate, from both political parties. Today with your testimony, you have taken the first step towards delivering your agency's report. Can you tell me approximately how much has been spent so far on this project in terms of staff time and taxpayer dollars?

As noted in our September 29, 2005, testimony before your Subcommittee,¹⁵ DOD's project to develop and implement a standard end-to-end travel system has been ongoing for the last 10 years. As originally envisioned, the initial deployment of DTS was to commence within 120 days after the effective date of contract award in September 1998, with complete deployment to approximately 11,000 locations by April 2002. However, the project completion date has changed to September 2006—a slippage of over 4 years. As of

¹⁵ GAO-05-998T.

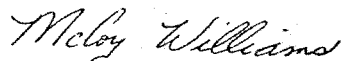
September 2005, DTS has been deployed to approximately 5,600 locations and the department currently estimates that DTS will be fully deployed to all 11,000 locations by the end of fiscal year 2006. As noted in our testimony, according to DOD, the current estimated cost of the project is approximately \$474 million. Of this amount, the contract for the design, development, and deployment of DTS is approximately \$263 million, which represents the estimated costs under the current DTS contract between DOD and Northrop Grumman. The remaining reported costs, which total about \$211 million, are DOD internal costs associated with areas such as the operation of the program management office, the voucher payment process, and the development of the various system interfaces. For example, to date the development of the interfaces have reportedly cost about \$30 million. With respect to GAO resources used to audit the DTS project, our work to address a wide range of issues is still ongoing. When our audit is completed, we will discuss with the Subcommittee as needed, the resources expended on the audit.

5. **Given the amount of staff time and the financial commitment you have made to investigating the Defense Travel System, can you tell me when we might expect answers to the thirty specific questions Senator Carper and I asked in a letter to Comptroller-General Walker dated March 20 of this year, in which we requested a response within forty-five days?**

On April 15, 2005, we met with the then Staff Director and the Deputy Democratic Staff Director, Subcommittee on Federal Financial Management, Government Information and International Security, Senate Committee on Homeland Security and Governmental Affairs to discuss the March 21, 2005, letter. Subsequently on May 6, 2005, we met with the then Staff Director. In those meetings we clarified which questions were included in the ongoing audit of DTS and which questions would not be addressed. It was agreed that 19 questions (questions 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 16, 17, 18, 21, 22, 28, and 30) would be incorporated within the scope of our ongoing audit to the extent possible. Our response to some of the questions, in particular questions 7, 8, and 11, that deal with the intellectual property rights for DTS, were discussed in our September 29, 2005, testimony. It was also agreed that 11 questions (questions 1, 13, 15, 19, 20, 23, 24, 25, 26, 27, and 29) would not be addressed. For example, questions 25, 26, 27, 28, and 29 relate specifically to the GSA eTravel contract and will not be addressed. As noted in our testimony, our results were based upon our preliminary observations of DTS. At the completion of our audit, we will provide a draft report to DOD and all interested congressional parties. The report will discuss our findings, and include recommendations that are aimed at improving the management and oversight of DTS.

If you or your staff have questions about our responses to the questions, please contact me at (202) 512-6906, or williams1@gao.gov.

Sincerely yours,



McCoy Williams
Director, Financial Management and Assurance

RESPONSES TO SUPPLEMENTAL QUESTIONS FOR THE RECORD
SUBMITTED BY

SENATOR TOM COBURN

for

DR. SCOTT A. COMES

Director, Strategic and Information Programs Division
Program Analysis and Evaluation, U. S. Department of Defense

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

HEARING ON

THE DEFENSE TRAVEL SYSTEM: BOON OR BOONDOGGLE?

September 29, 2005

1. In your testimony, Mr. Comes, you conclude that it will take fifteen years for the Defense Travel System to break even. That conclusion is obviously based on certain quantitative assumptions. You have mentioned your assumptions with regard to savings per transaction, but I do not find in your testimony the other key variable, the assumed utilization rate. What utilization rate are you assuming in order to achieve the savings you project, and what factual basis do you have to indicate that this utilization rate is realistically attainable?

Response: PA&E did not independently develop assumptions or projections for the DTS costs; we used the Program Office assumptions and projections. It is our understanding that their cost savings were based on utilization rates that phased in beginning in FY01 at 60% and gradually increased to 90% in FY06. We do not have specific data on the Program Office assumptions beyond FY06, nor whether these rates are attainable.

◆ ◆ ◆

Permanent Subcommittee on Investigations

EXHIBIT #13