



**Society of Government Travel Professionals-SGTP**

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The National Forum Of The \$20 Billion Government Travel Market

September 21, 2011

Marcerto Barr  
FTR Revision Project Leader  
U.S. General Services Administration  
1800 F Street NW 1221-B  
Washington DC 20405-0001

RE: FTR (Revision) Public Meeting

Dear Mr. Barr:

Thank you for the opportunity to allow the Society of Government Travel Professionals, SGTP, to present our views in GSA's Public Discussion on the Federal Travel Regulations. We understand that the purpose of this public meeting is for the open transparency, exchange of ideas, and to provide agency flexibility as the U.S. General Services Administration (GSA) considers revision to the Federal Travel Regulation (FTR) in an effort to streamline travel polices, increase travel efficiency and effectiveness, and incorporate industry best practices. We want to add the view of our members regarding some "best practices" to this dialogue which we hope will be continuing and constructive in nature.

*SGTP represents over 400 members in the government travel sector. SGTP membership includes 17 of the GSA's approved Travel Management Companies, (TMC), from schedule 599 2, US and Foreign Airlines, worldwide lodging companies that host meetings and conventions, as well as transient government travelers and relocating families, car rental firms that contract with both GSA and DOD for temporary vehicles as well as technology companies that support travel bookings and accounting, State government travel managers, cost reimbursable contractors that are some of the largest U.S. companies supporting the government and government travel officials from both civilian agencies and military travel programs and additional other service provider vendors.*

*The views expressed here today have been approved by the Board of Directors of SGTP.*

Today, I will discuss some views on best practices for for Travel Management Companies and the Lodging sector.

### ***Recommendation 1: Mandating the Use of contracted programs, partners and suppliers***

All sectors of our organization see value in mandating the federal travelers use the approved travel systems and contracted travel agencies as directed by their respective agencies. Allowing travelers to book and reserve travel outside these systems and contracts leads to loss of control over travel spend, incomplete data necessary to negotiate programs, the inability to locate travelers in the event of an emergency and ultimately a poorly run travel program. SGTP endorses the required use of ETS & DTS, the travel management companies, and the endorsed programs of the federal government for selections of suppliers.

Consistent use of the systems currently selected by the agencies will drive the much needed information that allows a well managed program to achieve its goals. Utilizing these reports will result in the following.

1: Control of Costs – The purpose of the tools, reports and management of the program is to drive costs down and achieve savings for the agencies.

2: Safety – Traveler safety continues to be the driving concern for agencies and travelers in both government and the private sector. These systems identify the travelers' location and allow quick access when events warrant. Going outside the system prevents agencies from locating and assisting travelers when emergencies occur.

3: Compliance – Traveler compliance needs to be achieved by utilizing the official tools, programs and contracts. Compliance reduces traveler errors and abuse. This is especially important prior to travel as it is far better to prevent errors before the trip than following the completion of travel. The amount of time to research the data is costly to the federal agency, the TMC and other suppliers ultimately increasing costs to the federal government.

4: A Measurable and Manageable Program – Any well run travel program must provide accurate data that can be measured and acted upon. Without complete, accurate and relevant data agencies can not manage their travel programs or achieve their goals set forth.

5: Best Use of Technology – The use of the technology is critical in any travel program and bypassing technology is never a solution. This often occurs in the current government travel arena due to the lack of mandating systems.

If travelers continue to book on their own, the ability to capture data related to that transaction and to potentially identify that traveler's location in an emergency is lost. While an individual traveler may be able to recite an example of a lower airline fare, room rate or car rental rate in a given situation, such behavior erodes the commitment of vendors to the traveler's negotiated program and ignores the hidden costs, including cancellation fees, change fees and other costs savings that may be within the government's negotiated programs.

## **TMC Best Practices:**

### **Recommendation 2: Unbundled Travel Procurements Offers the Best of Technology and Travel Services**

Today, GSA has established bundled contracts which combine the technology (online authorizations and approval, online booking, online voucher preparation and approval and payment) with the travel services. DoD does not. SGTP has held the long standing view that bundled contracts reduce competition for both the technology desired and the travel services component. Such bundling reduces the ability of small business travel agencies to compete to provide the travel services. Such bundling is inconsistent with the objectives of the Federal Acquisition Regulations to maximize competition.

SGTP recommends that the technology solutions described in the ETS2 solicitation be separated from the Travel Management Solutions provided under ETS2. It is our position that TMC's should be able to compete in the government marketplace and neither the current ETS program nor the ETS2 solicitation provides for open competition for all the TMC's.

### **Recommendation 3: GSA should provide more opportunities and encouragement of federal agencies to solicit industry comment and suggestions prior to contracting.**

This public forum is a good positive example of the Government and industry meeting prior to establishing policy and we hope that other agencies will also learn from this positive environment and that GSA will continue such efforts. We believe such dialogue leads to a better understanding of what the government is seeking in services and products and what industry can provide. However, we believe that it should be a dialogue. Too often, meetings scheduled for such purpose is a one-sided affair with either the Government advising industry of what it is implementing or the Government merely listening to, but not interacting with, industry on its views. Often times, such forums result in a response from Government representatives that views will be taken under consideration, but there is no further elaboration on what the process is to actually consider the view. The Federal Acquisition Regulations encourage active dialogue between the Government and industry.

## **Lodging Issues:**

### **Recommendation 4: The Per Diem process should be modified to account for the time required by industry to react to Per Diem changes and consistent across the government.**

Per Diems must be published 60 days or more prior to their effective date. Any less time does not give industry, agencies or travelers time to react to changes in their systems, programs or budgets. Additionally, consideration should be given to following a calendar year.

### **Recommendation 5: The Per Diem should be based on forecasted data not historical data.**

Per Diems are currently set based on historical data. GSA, State and DOD should build a model that accounts for projected changes in key markets for the upcoming fiscal year. This would allow more accurate costing for agencies, decrease the number of special authorizations required for travelers and drive more compliance with the government travel programs.

GSA and DOD set per diems based on the max lodging spend without taxes. The state department model builds in taxes to its calculations. This means the electronic tools used by the lodging industry and contractors to build these rates for government and contractors must manually handle international per diems differently, creating extra work and more room for error. The government should build one consistent method to calculate and publish the rates so that industry and government systems can use them efficiently. This would also eliminate a double set of rules for travelers to follow – one for domestic and one for international travel.

**Recommendation 6: Revise the FTR and JFTR's to make meeting management more consistent.**

Planning meetings for the Federal government is unnecessarily complicated, thus adding cost to the process and confusion for the industry trying to work with government activities. We believe meeting planning should fall under the general category of "travel" and the FTRs and JFTRs should provide guidelines for appropriate spending and reimbursements.

Since many meetings involve participants both on TDY and not on TDY, mechanisms to provide payments for food, refreshments, services and meeting space should be developed, rather than trying to "camouflage" costs and slip them through the travel regulations (as is often done now).

**Summary**

**Recommendation 7: Federal Agencies need Travel Managers to run federal travel programs that support the traveler, help the agencies control costs and eliminate waste, and maximize the taxpayer's value for their travel dollar.** The U.S. government is the largest customer in the world, but in order to maximize the effectiveness of their travel, agencies need individuals within their agencies and divisions to actively manage travel as a full time job. Commercial best practices demonstrate time and again that pro-active management is required to run strong travel programs, modify traveler behavior, eliminate fraud and waste and ultimately support the goals of the enterprise. It's not happening in government now – and it needs to!

Sincerely,

*Rick Singer, CGTP, CTC*

*Rick Singer, CGTP, CTC  
Executive Director*

*Arthur Salus, Pres.*

*Arthur Salus,  
President SGTP*