



# Department of Homeland Security Office of Inspector General

## DHS Conference Spending Practices and Oversight





Homeland  
Security

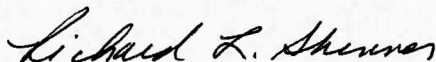
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Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

This report is in response to a request from Representative Bennie G. Thompson, Chairman of the House Committee on Homeland Security. It addresses the strengths and weaknesses of the department's policies, oversight, and reporting of conference planning and related expenditures. It is based on interviews with employees and officials of relevant agencies, components, and offices; direct observations; and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. We trust that this report will result in more effective, efficient, and economical operations. We express our appreciation to all who contributed to the preparation of this report.

  
Richard L. Skinner  
Inspector General

# Table of Contents/Abbreviations

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Executive Summary .....	1
Background.....	2
Results of Review .....	6
Department Needs Clear and Consistent Conference Planning Guidance .....	7
Policies Do Not Identify Responsibilities or Authorities Clearly .....	7
Recommendation.....	9
Management Comments and OIG Analysis .....	9
DHS Has Inconsistent Conference Terminology and Guidance .....	11
Recommendation.....	13
Management Comments and OIG Analysis.....	14
Some Components Have Policy Instructions and Clear Procedures That Should be Leveraged.....	16
Recommendation.....	17
Management Comments and OIG Analysis .....	18
Conference Data Were Unreliable and Unverifiable.....	18
Accountability and Tracking Need Improvement .....	23
Recommendations .....	25
Management Comments and OIG Analysis .....	26
Conference Costs Do Not Have Sufficient Supporting Documentation .....	27
Recommendations .....	37
Management Comments and OIG Analysis.....	38
DHS Travel Expenditures Were Not Supported Consistently or in Compliance With Applicable Regulations.....	39
Recommendations .....	43
Management Comments and OIG Analysis.....	43
Departmental Coordination of Sponsored Conferences Would Facilitate Efficiencies.....	44
Recommendations .....	46
Management Comments and OIG Analysis .....	46
Conclusion.....	47

## Appendices

Appendix A: Purpose, Scope, and Methodology.....	49
Appendix B: Management Comments to the Draft Report .....	51
Appendix C: Congressman Thompson’s Request Letter.....	56

# Table of Contents/Abbreviations

---

Appendix D: Descriptions of Eleven Sample Conferences Reviewed .....	57
Appendix E: Total Amount Spent, by Component and by Fiscal Year.....	63
Appendix F: FY 2007 Conferences .....	66
Appendix G: Major Contributors to this Report .....	67
Appendix H: Report Distribution.....	68

## Tables

Table 1: DHS Reported Conference Activity and Expenditures FYs 2005–2007.....	3
Table 2: Eleven DHS Conferences Examined in Further Detail .....	5
Table 3: Discrepancies in Conference Costs Reported by Components.....	22
Table 4: Discrepancies in Conference Attendance Reported by Components .....	23
Table 5: Component Response Times for Requested Documentation .....	29
Table 6: Component-Reported Expenditures for Eleven Sample Conferences.....	31
Table 7: Summary of Travel Documentation Requested and Received.....	39

## Figures

Figure 1: Breakdown of DHS Reported Conference Expenditures FYs 2005– 2007.....	6
Figure 2: Discrepancies In DHS Conference Spending Data Reported and Obtained.....	21

## Attachments

Attachment 1: FY 2007 Conferences Data Are Provided in a Separate Attachment to this Report Because of Size

## Abbreviations

AToN	Aids to Navigation
CAO	Chief Administrative Officer
CFR	Code of Federal Regulations
CONUS	continental United States
DEP OPS	Departmental Operations
DHS	Department of Homeland Security
FTR	Federal Travel Regulations
FEMA	Federal Emergency Management Agency
GAO	Government Accountability Office
GSA	General Services Administration

# Table of Contents/Abbreviations

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ICE	U.S. Immigration and Customs Enforcement
M&IE	meals and incidental expenses
MD	Management Directive
Management	Directorate for Management
NDMS	National Disaster Medical System
OCFO	Office of Chief Financial Officer
OCHCO	Office of Chief Human Capital Officer
OIG	Office of Inspector General
RISC	Regional Interagency Steering Committee
S&T	Directorate for Science and Technology
USCG	United States Coast Guard

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## Executive Summary

The Department of Homeland Security conducts conferences for a variety of purposes, including employee and stakeholder training, information sharing, and mission support. During FYs 2005–2007, the department reportedly spent approximately \$110 million on conference-related activities—spending approximately \$60 million in direct costs and an additional \$50 million identified as salary expenses for employees attending the conference. At the request of Representative Bennie G. Thompson, Chairman of the House Committee on Homeland Security, we reviewed the department’s conference spending practices and evaluated its policies, oversight, and reporting of conference planning and related expenditures.

Specifically, we assessed the total amount spent by the department on producing or facilitating conferences, retreats, and other offsite activities for FYs 2005, 2006, and 2007. For each component, we further analyzed budgets, funds spent on conferences, the number and locations of conferences, full-time equivalent staff allotments, and employee attendance at conferences. From this analysis and comparison, we selected five components and examined 11 conferences in more detail. In addition, we obtained a full listing of each conference that received funding or staffing support from the department during FY 2007.

Although we did not review all Department of Homeland Security components, this report seeks to identify areas in which the department can leverage best practices and generate new efficiencies.

The department has made progress in developing department-wide conference planning policies. However, work is still needed to provide clear, consistent, and adequate guidance and instructions. For example, conference cost data did not contain sufficient supporting documentation, and were unreliable, unverifiable, and provided little assurance that all conferences and related costs were tracked and accounted for properly. In addition, the department needs coordination across components to ensure that duplication of efforts related to sponsoring conferences is minimized.

We are making 12 recommendations to assist the Directorate for Management in improving oversight and reporting of conference planning activities across the department. In response to our report, Management has proposed plans and taken action that, once fully implemented, will enhance its oversight and reporting capabilities. The department concurred with all 12 recommendations.

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## Background

Federal departments and agencies sponsor or send employees to thousands of conferences each year. Estimates indicate that in FYs 2000–2006, federal spending associated with such conferences amounted to more than \$2 billion.<sup>1</sup> In his request letter, Chairman Thompson said an audit by the Department of Justice’s Office of the Inspector General revealed troubling spending patterns by Department of Justice officials and employees on food, travel, resources, and other items purchased to conduct or facilitate various conferences, retreats, and other off-site activities.<sup>2</sup> Chairman Thompson requested that we conduct a similar examination of conference spending at the Department of Homeland Security (DHS).<sup>3</sup>

A conference, as defined by the *Federal Travel Regulations* (FTR), 41 C.F.R. § 300-3.1, is “a meeting, retreat, seminar, symposium, or event that involves attendee travel. The term 'conference' also applies to training activities that are considered to be conferences under 5 C.F.R. § 410.404.” It is typically a prearranged event with designated or registered participants, a substantive published agenda, and scheduled speakers or discussion panels on a particular topic. In many cases, sponsoring conferences and funding attendee travel are important and necessary to fulfilling an agency’s mission. Conferences facilitate outreach efforts, enable staff to obtain job-related training, and provide a way to communicate with stakeholders and other professionals in associated fields.

DHS conducts conferences for a variety of purposes, including employee and stakeholder training, information sharing, and mission support. DHS’ overall mission involves securing the country, preserving freedoms, and preparing for and responding to all hazards and disasters. It accomplishes this mission through many components, each having supporting missions and goals. These components share the department’s broad responsibility for domestic security. In addition, they operate in a decentralized environment, often with business processes, programs, policies, and systems that the components brought from legacy departments and agencies.

DHS and its components have more than 216,000 employees located in the District of Columbia, all 50 states, and 80 countries around the world.

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<sup>1</sup> Office of Senator Tom Coburn, M.D., *For the Farmers or For Fun: USDA Spends Over \$90 Million in Conference Costs*, May 2008.

<sup>2</sup> Department of Justice Office of Inspector General, Audit Report 07-42: *Department of Justice Conference Expenditures*, September 2007.

<sup>3</sup> The Chairman’s request letter is Appendix C.

These employees may attend conferences in local working areas or travel to other locations. As shown in Table 1, during FYs 2005–2007, DHS sent employees to conferences across the nation and around the world in 43,989 instances, which include individuals who attended more than one conference as well as many who attended the same conferences. Data reported by the DHS Office of the Chief Financial Officer (OCFO) suggest that the department spent approximately \$110 million on 8,359 conferences during FYs 2005–2007.

**Table 1: DHS Reported Conference Activity and Expenditures FYs 2005–2007**

Fiscal Year	Conferences Reported	Amount Spent	DHS Budget (Enacted)	Percent of DHS Enacted Budget	Conference Travel Instances *
2005	702	\$ 9 million	\$35 billion	.03%	2,887
2006	3,024	\$50 million	\$38 billion	.13%	20,298
2007	4,633	\$51 million	\$40 billion	.13%	20,804
Total	8,359	\$110 million	\$113 billion	.10%	43,989

Source: OIG analysis based on data provided by OCFO, August 2008.

**NOTE:** Because of variation in reporting quality across years and between components, these numbers may or may not represent an increase in conference activity and could indicate an increase in reporting.

\* **Number of times DHS sent an employee to a conference.**

When compared to the annual enacted budgets of DHS, the amount spent on conferences represents less than 1% of available funds each year. However, these small ratios represent millions of dollars where management vulnerabilities can exist and an area where benefits and outcomes are generally neither evaluated nor measured. They also demonstrate a financial and programmatic area where DHS must exercise due diligence to ensure that funding conference-related activities is an appropriate means for accomplishing department-wide objectives.



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## Directorate for Management Responsibilities

The mission of the Directorate for Management (Management) is to ensure that departmental employees have well-defined responsibilities and that managers and their employees have effective means for communicating with one another, with other governmental and nongovernmental entities, and with the public. Through Secretarial delegation, the Under Secretary for Management has departmental responsibility for budget, appropriations, expenditures of funds, accounting and finance, procurement, and human resources.<sup>4</sup> In addition, the Under Secretary oversees information technology and communications systems, facilities, property, equipment, and other material resources; as well as identification and tracking of performance measures related to those responsibilities.

Through secretarial delegation, the Under Secretary for Management has responsibility for and the oversight of the functions, personnel, assets, and liabilities of entities within DHS. In addition, the Under Secretary has responsibility for and oversight of the functions and duties of the Chief Financial Officer, the Chief Procurement Officer, the Chief Information Officer, the Chief Human Capital Officer, the Chief of Administrative Services, and the Director of Strategic Initiatives.<sup>5</sup> As provided by the *Chief Financial Officer's Act*, the Chief Financial Officer also reports directly to the Secretary regarding financial management matters.<sup>6</sup>

## DHS Components and Conferences Reviewed

In response to Chairman Thompson's request, we evaluated a variety of conference data and policies to determine the nature and extent of department-wide policies and oversight of conferences and related travel. We also evaluated conference spending data from Management for all DHS components for FYs 2005, 2006, and 2007.

We further analyzed conference spending practices in five DHS components to obtain a perspective on individual components' conference-related activities and how they interrelate with Management. The five components included the Federal Emergency Management Agency (FEMA), the Directorate for Science and Technology (S&T), U.S. Immigration and Customs Enforcement (ICE), the United States Coast

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<sup>4</sup> Department of Homeland Security Delegation 0201.1: *Delegation to the Under Secretary for Management*; November 10, 2003.

<sup>5</sup> Department of Homeland Security Delegation 0201.1: *Delegation to the Under Secretary for Management*; November 10, 2003.

<sup>6</sup> 31 U.S.C. § 902.

Guard (USCG), and Departmental Operations in the Directorate for Management (DEP OPS).<sup>7</sup> From these five components, we examined 11 conferences, which included the most expensive within the continental United States (in-CONUS) and the most expensive non-CONUS conference for each of the five components held during FYs 2005–2007. In addition, we examined one FY 2009 conference in Hawaii, attended by 19 S&T personnel. Table 2 lists these conferences; detailed descriptions are in Appendix C.

**Table 2: Eleven DHS Conferences Examined in Further Detail**

Component	FY	Conference Name	Conference Location	In/Non-CONUS
FEMA	2006	National Disaster Medical System (NDMS) Conference	Reno, NV	In-CONUS
	2007	Regional Interagency Steering Committee (RISC) Meeting	Honolulu, HI	Non-CONUS
ICE	2006	Detention Management Control Program Training	Batavia, NY	In-CONUS
	2007	Regional (Asia) Attaché Conference	Orchard District, Singapore	Non-CONUS
USCG	2006	West Coast Aids to Navigation (AToN) Conference	Everett, WA	In-CONUS
	2006	District 17 Commanding Officers' Conference	Juneau, AK	Non-CONUS
S&T	2005	2005 National BioWatch Conference	Washington, DC	In-CONUS
	2007	International Underwater Tunnel Protection	London, England	Non-CONUS
	2009	2008 Asia Pacific Homeland Security Summit and Exposition	Honolulu, HI	Non-CONUS
DEP OPS	2007	FY2007 Chief Administrative Officer's (CAO) Forum	Washington, DC	In-CONUS
	2007	29th International Data Protection and Privacy Commissioner's Conference	Montreal, Canada	Non-CONUS

## Cost Breakdown

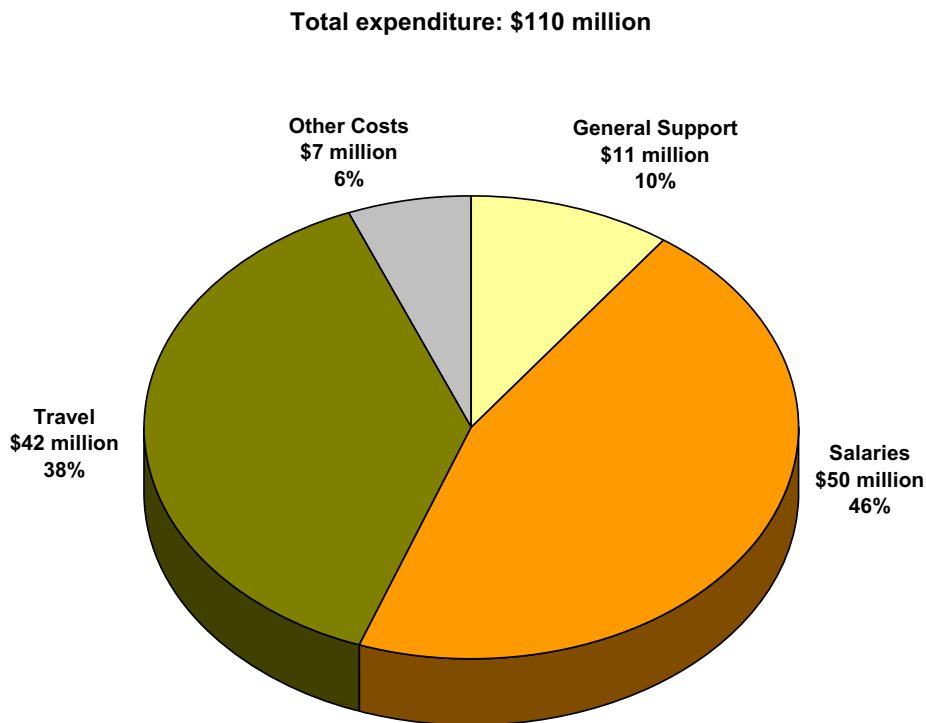
Although DHS conference spending is limited by the availability of funds for such purpose, and participation is generally determined by whether the conference is a mission-related or job-related requirement, no specified limits exist—in legislation, regulation, or policy—on how much DHS or its components can spend on conference support or participation. We reviewed costs for the conferences by categories such as general support (i.e., facilities, audiovisual equipment, materials, and supplies), employee

<sup>7</sup> Departmental Operations consists of the Office of the Secretary & Executive Management, Office of the Under Secretary for Management, OCFO, and Office of the Chief Information Officer.

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salaries, travel expenses, and other costs incurred. Figure 1 depicts these expenditures for FYs 2005–2007.

**Figure 1: Breakdown of DHS Reported Conference Expenditures FYs 2005–2007**



Source: OIG analysis based on data provided by OCFO, August 2008.

## Results of Review

Although conferences and related travel might be important to enhancing federal government operations, DHS must provide assurance that it is a responsible steward of public funds. Many policies already exist within DHS and throughout the federal government that demonstrate the need for prudent judgment when funding conferences and determining employee travel and attendance. Although we did not review all DHS components, this report seeks to identify areas in which Management can leverage best practices that will allow the department to generate new efficiencies, institute a coordinated “program to improve efficiency and streamline

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decision-making,” and ensure that conferences and travel are appropriately coordinated and conducted solely for mission-critical purposes.<sup>8</sup>

## **Department Needs Clear and Consistent Conference Planning Guidance**

Conference planning is multifaceted. It involves travel, acquisitions, budget, ethics, and appropriations laws and regulations. As a result, DHS staff requires comprehensive instructions and detailed, useful information on proper procedures for conference planning.

In October 2008, OCFO issued a department-wide conference planning policy as part of its *Travel Handbook* within the *Financial Management Policy Manual*. The handbook delineates DHS-wide policy regarding employee travel expenses and conference planning, and provides official travel policies and general travel guidance to employees of DHS and its components. The conference planning policy was based on regulations and guidelines outlined in the FTR.

Although the conference planning document is intended to represent DHS-wide policy and reflects a progressive effort, it still defers to components with stricter directives to continue following their existing guidance. Similarly, an undated internal directive, Management Directive 3160: *Attendance at Meetings and Conferences* (MD 3160), also permits a decentralized conference planning process. As there is no unified or consolidated set of rules under which DHS components are to operate, confusion exists among departmental staff. Consequently, the departmental conference planning policy does not identify responsibilities or authorities clearly; define terminology and guidance consistently; nor clarify policy instructions and procedures adequately.

### **Policies Do Not Identify Responsibilities or Authorities Clearly**

Prior to October 2008, DHS had no formal department-wide conference planning policies, and it was unclear who was responsible for developing and communicating DHS-wide policies. Within various departmental documents, multiple Management entities were cited as having responsibilities associated with conference planning. This conflicting information often caused staff to rely on inappropriate policies and irrelevant points of contact.

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<sup>8</sup> Department of Homeland Security Press Release: “Secretary Napolitano Rolls Out DHS Efficiency Review Initiative,” March 27, 2009.

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For FYs 2005-2007, we determined that only two Management documents dealt specifically with conference planning and attendance policies. The first, issued by the Office of the Chief Human Capital Officer (OCHCO), is MD 3160. This directive establishes DHS policy regarding attendance at meetings and conferences, and applies to all DHS organizations, employees, and contractors who provide services at DHS' expense. According to the directive, until such time that OCHCO establishes a permanent, department-wide policy regarding attendance at meetings and conferences, all DHS organizational elements may continue to enforce their existing policies and procedures.

The second document, issued by DHS' Office of General Counsel and coordinated with the department's Office of Ethics, was a memorandum dated March 4, 2006, and entitled *Conferences*. It applies to all DHS offices and components with contracts serviced by the Office of Procurement Operations and is "intended to illuminate some distinctions between permissible and impermissible methods to conduct conferences." It includes a caveat that the memorandum is not intended to be comprehensive and generally recommends that agency conference planners seek additional legal advice on issues not specifically addressed. On March 20, 2009, the Office of General Counsel issued an updated and superseding *Conferences* memorandum; however, specifically it directs department conference planners to seek additional legal advice from appropriations and fiscal law attorneys on related issues not specifically addressed in the memorandum.

On September 14, 2006, the Deputy Chief Financial Officer stated that the policies governing employee travel are the responsibility of the Chief Financial Officer and referred to more comprehensive policy and guidance on travel and conference attendance under development.<sup>9</sup> That guidance was issued in October 2008 as the *Travel Handbook* in the *Financial Management Policy Manual*.

Conflicting information about conference policies makes it difficult to determine who or what has responsibility for setting policy. MD 3160 places responsibility for setting policy on training, conference attendance, and planning on OCHCO; the

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<sup>9</sup> Statement by Eugene Schied, DHS Deputy Chief Financial Officer, before the Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Federal Financial Management, Government Information, and International Security Hearing: DHS' Conference Spending; September 14, 2006

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Office of General Counsel's 2006 *Conferences* memorandum directed employees to the Offices of Ethics and General Counsel; and congressional testimony refers to OCFO as the responsible entity. Several officials we interviewed, whose duties involve developing component policy, did not receive DHS-wide guidance on conference planning policy or travel and did not know that MD 3160 or Office of General Counsel's 2006 *Conferences* memorandum existed. These officials either referred to component-specific policies or followed the FTR.

MD 3160 also states that the Office of International Affairs at DHS must clear attendance at conferences outside of the United States. However, when reviewing our sample of international conferences, component officials did not know of the requirement or said that they were not required to clear or coordinate attendance at international conferences with the Office of International Affairs. In addition, international affairs officials said there is no clear policy on its office's role in coordinating the DHS presence overseas and were unaware that the new *Travel Handbook* within the *Financial Management Policy Manual* contained a section on conference planning and international travel.

It is unclear to what extent these policies and guidance have been distributed or announced to DHS headquarters, component, and contractor personnel. Little knowledge or alignment of practices with policies establishing guidelines for conference planning or spending at the department level or identification of responsible policy-makers exists. As a result, significant challenges confront adherence to and monitoring of departmental guidelines and federal regulations.

## **Recommendation**

We recommend that the Under Secretary for Management:

**Recommendation #1:** Assume oversight responsibility for department-wide conference planning activities.

## **Management Comments and OIG Analysis**

We evaluated management's written comments and have made changes to the report where we deemed appropriate. In general, Management agreed with all recommendations in the report. A summary of management's written response to the report recommendations and our analysis of the response follows each

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recommendation. A copy of Management's response, in its entirety, is included as Appendix B.

**Management Response:** Management agreed with Recommendation 1. Management responded that DHS leads a unified national effort to secure America—this requires a unified department and an integrated approach across our varying operations. DHS' Secretary continues to prioritize unifying the department and creating a common culture: one enterprise, a shared vision, with integrated results-based operations.

In March 2009, the Secretary launched a department-wide efficiency review to trim costs, streamline operations, eliminate duplication, and better manage resources across the department. This effort includes more than 20 initiatives that will increase efficiency, leverage economies of scale, create a culture of responsibility and fiscal discipline, and save taxpayers millions of dollars. Elements of the efficiency program, the travel and use of government facilities initiatives, have already generated department-wide policies over the conference planning process.

There are various cross-functional aspects of conferences, such as planning, ethics, attendance, travel, record keeping, and other legal and management aspects, which have been covered by different authoritative sources at the department. Management agrees to bring DHS stakeholders together, review best practices, and develop department-wide clear, consistent, and authoritative guidance on the multiple aspects of conferences, along with a well-rounded and comprehensive definition of a conference.

Management further responded that work is under way as a part of the efficiency initiatives on use of government facilities and travel, and will serve as a basis for building comprehensive DHS policy on conferences. DHS established a Conference and Event Planning Services working group to investigate potential methods of achieving savings in this area. This working group has surveyed components to gather requirements for events across the department and is conducting market and industry research with internal government event planners. The working group is also developing a resource package with low or no cost alternatives for employees to use while planning conferences and events.

**OIG Analysis:** In response to Recommendations 1, 2, and 3, Management provided one response to address these recommendations. We consider Management's proposed actions responsive to Recommendation 1, which is resolved and open. This

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recommendation will remain open pending our receipt of an official department-wide policy, which assigns oversight responsibility and policy-making authority for department and component conference activities to a central designated entity. This policy should include a reporting process to facilitate this oversight, and clearly outline responsibilities, policies, and procedures. Further, all department employees should receive this policy, particularly those responsible for organizing or authorizing conference activities.

### **DHS Has Inconsistent Conference Terminology and Guidance**

Although the DHS mission often justifies staff presence at conferences, DHS does not have a department-wide definition of what constitutes a conference. The distinction between a conference, training, and a routine meeting can affect the justification requirements of an event, how it is funded, as well as who can attend. In the guidance used by DHS components, the definition of a conference varies significantly. For example:

- The FTR defines a conference as a meeting, retreat, seminar, symposium, or event that involves attendee travel. The FTR also applies the term to training activities that are considered to be conferences under 5 CFR § 410.404.
- MD 3160 does not provide a distinction between a conference and a meeting, but defines both as a gathering of individuals on DHS-related subjects held outside of DHS and within or outside the United States.
- The two *Conferences* memoranda of the Office of General Counsel distinguish conferences from routine meetings by defining the latter as being held to discuss day-to-day operations of the government, while a formal conference typically involves matters of topical interest to multiple agencies and/or nongovernmental participants and might include registration, a substantive published agenda, and scheduled speakers.
- The October 2008 DHS *Travel Handbook* conference planning policy provides no definition of a conference or any distinction among conferences, meetings, or training.

In 2006, Senator Tom Coburn, then Chairman of the Subcommittee on Federal Financial Management, Government Information, and International Security; U.S. Senate Committee on Homeland Security



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and Governmental Affairs, sent a letter to all federal agencies requesting information about their conference spending which included a definition of conferences.<sup>10</sup> When responding to this congressional request, OCFO chose to develop yet another definition for conferences by reviewing definitions provided in Senator Coburn's letter, the FTR, and the Department of Defense Joint Federal Travel Regulation.<sup>11</sup> The resulting OCFO definition stated:

“A pre-arranged seminar, annual meeting, forum, or symposium held at a non-DHS facility that involves the attendance of DHS and/or non-DHS employees who travel and/or participate for the provision of training, or the exchange of information, during which speakers make presentations on various topics.”

While the OCFO guidance presented in response to a congressional request might have been communicated to staff involved in the data request, it was not communicated throughout the department or to the component program office levels where conference expenditure information is often maintained. Program offices used previous definitions or their own professional judgment with respect to what they believed constituted a conference. For example, USCG supplemented the OCFO definition with further guidance to its staff, stating, “a conference is a pre-arranged meeting/expo with a formal agenda that is open for public discussion of a particular topic, provision of training or the exchange of information.”

Because of those varying definitions, OCFO staff initially received more than 20,000 component conference submissions for FY 2006. One official involved in data collection explained that many components submitted information on all activities or meetings that they thought might meet whatever definition of “conference” they were using. The official explained it was very difficult to centralize this information and that, even within a component, different offices had different definitions and reported their spending accordingly. Once verified and examined to ensure a degree of uniformity and eliminating events that did not fit OCFO’s definition, the number of FY 2006 conferences was reduced to 3,024.

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<sup>10</sup> Conference definition, provided by Senator Coburn, is a “meeting for consultation, education or discussion that includes non-agency participants, not held entirely at an agency facility.”

<sup>11</sup> The Department of Defense *Joint Federal Travel Regulations*, Appendix R, defines a conference as “A meeting, retreat, seminar, symposium, or event that involves attendee travel. Also applies to training activities that are considered to be conferences under 5 C.F.R. 410.404.” In an annotation, the JFTR specifies that the definition does not include “regularly scheduled courses of instruction conducted at a [government] or commercial training facility.”

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Of the five components, whose policies we examined in further detail, only DEP OPS had a policy during FYs 2005–2007 that included a definition of a conference following the one in MD 3160. FEMA and S&T did not offer any information disclosing how they defined a conference. Both ICE and USCG, however, were able to provide policies issued in 2008 that include detailed definitions of a conference, although each was different from the guidance above.

- The current ICE *Conference Planning Procedure* defines a conference as “a meeting, retreat, seminar, symposium, congressional event, convention, workshop, selected training, or other event that has a published agenda, scheduled speakers or discussions, and frequently involves attendee travel. All conferences are to cover only official government business.”<sup>12</sup>
- The current USCG *Financial Resource Management Manual* defines a conference as “gatherings that are not routine in nature and that are intended to cover topical matters of general interest that might appeal to governmental and nongovernmental participants.”<sup>13</sup> The manual also refers staff to definitions found in the FTR and the *Joint Federal Travel Regulations*.

Given the importance of conferences to help achieve and further the DHS mission, DHS should adopt and use department-wide one definition. The same should apply to differentiating training and meetings. Having consistent terminology and guidance would reduce confusion; provide better use of staff resources; improve record keeping, reporting, and monitoring; and facilitate the oversight of department-wide, conference-related expenditures.

## Recommendation

We recommend that the Under Secretary for Management:

**Recommendation #2:** Develop and adopt a common department-wide definition for what constitutes a conference. The definition

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<sup>12</sup> ICE Management Procedures (MAP) #304:107:001: *Conference Planning Procedure*; April 24, 2008; § 2.2: Definitions–Conference.

<sup>13</sup> USCG Commandant Instruction (COMDTINST) M7100.3D: *Financial Resource Management Manual*; October 3, 2008; § 5.K.11.b: Internal Coast Guard Business Meetings and Conferences, p. 5-53.

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should ensure that a distinction is made between a conference, retreat, seminar, symposium, workshop, training, and routine meeting.

## **Management Comments and OIG Analysis**

**Management Response:** Management agreed with Recommendation 2. Management responded that it will bring DHS stakeholders together, review best practices, and develop department-wide clear, consistent, and authoritative guidance on the multiple aspects of conferences, along with a well rounded and comprehensive definition of a conference.

**OIG Analysis:** We consider Management's proposed actions responsive to Recommendation 2, which is resolved and open. This recommendation will remain open pending our receipt of an official department-wide policy that identifies a single conference definition for the department and all components, and clearly distinguishes between a conference, retreat, seminar, symposium, workshop, training, and routine meeting.

### **Inadequate Policy Instructions and Procedures Exist**

According to the FTR, an agency is responsible for developing and establishing internal policies to ensure that, while planning a conference, it minimizes all costs, maximizes the use of government facilities, identifies cost-reduction opportunities, and ensures that conference planners do not misuse conference planning benefits.<sup>14</sup> As an aid in planning and conducting conferences, government-wide and department-specific rules, regulations, and guidelines are to be used. However, DHS component policies vary, which presents challenges in applying adequate procedures and practices across the department. Further, disparities in the existence, maintenance, and rigor of some component policies highlight that DHS, as a whole, operates under multiple rules.

The MD 3160 language is vague, general, and does not provide adequate guidance to DHS staff for conference planning. Many DHS officials we interviewed did not know that this directive exists, suggesting some components may not be aware of DHS-wide policy. As a result, many components continue to use legacy policies, government-wide policies, guidance issued by other federal agencies, or from a combination of sources. Of the five components we

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<sup>14</sup> 41 CFR § 301-74.1: What policies must we follow in planning a conference?

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reviewed, only DEP OPS, USCG, and FEMA had component-specific conference planning policies available during FYs 2005–2007.

- DEP OPS was the only component of the five that knew about MD 3160 and used the document for guidance. It also referred to the 2006 Office of General Counsel’s *Conferences* memorandum, but even together these documents do not provide staff with adequate instructions or comprehensive guidance on matters related to conference planning.
- USCG follows its *Financial Resource Management Manual*, issued in 2004 and revised in October 2008; the *Joint Federal Travel Regulations* for conference planning and attendance; and its internal supplement to the FTR for travel guidance.
- FEMA also relies on the FTR and on other General Services Administration (GSA) regulations when planning conferences. FEMA has a 1988 internal *Travel Regulations Manual* guidance document that contains a section on conference planning. FEMA officials said they also use bulletins to alert employees to changes in the FTR, but were unaware of the MD 3160 policy.
- ICE issued two conference planning documents in April 2008. The *Conference Planning Policy* and a *Conference Planning Procedure* document outline the responsibilities of every officer level in the conference planning process. The document includes attachments showing sample request-approval forms for having a conference, a worksheet for estimating facility costs, a procurement request template, and a sample conference announcement.
- S&T relies on the FTR and the *Federal Acquisition Regulations* when planning conferences. S&T officials expressed no knowledge of DHS policies and said that they did not have their own component-specific policies.

In addition, limited department-wide procedures exist for determining or minimizing the number of employees attending conferences or for standards justifying attendance. Based on our review of the five components, employees obtain permission from their supervisors to attend a conference and, when funding is available, they are permitted to incur related travel costs. However, the components do not appear to have specific standards

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for determining whether an employee's attendance is important and necessary or whether it would be more prudent to send only a few employees, who could in turn brief others.

MD 3160 advises DHS components to keep attendance at conferences to a prudent level by only allowing an employee to attend a conference when the employee is delivering a paper or serving as a participant; discussing issues important to the employee's job and attendance would benefit the employee's subsequent job performance, or when substantial professional advantage beneficial to DHS is expected.<sup>15</sup> However, this broad language would seem to endorse the attendance of most employees at any conference related to DHS' mission. MD 3160 does not provide adequate limits or direction on who should be permitted to attend a conference and for what purpose.

Consequently, when DHS components have up-to-date internal policies that supplement federal regulations, very specific guidance can be provided to staff, but differences still exist. For example, while policy states that USCG must keep records of cost-reduction efforts, the ICE conference planning procedure is more specific and states that any action costing more than \$2,500 requires at least three quotes. Components also review and approve their procurement agreements for conferences in different ways. USCG employs a six-level chain of command process to ensure that actions are legitimate and legal before entering into procurement agreements, while ICE routes procurement requests through its Office of the Principal Legal Advisor for review.

These inconsistencies, coupled with the need for overall department-wide guidance, suggest that components abide by different rules. Although MD 3160 refers components to their legacy policies, policy maintenance varies by component. In addition, components without legacy policies do not have clear instructions on conference planning and attendance.

### **Some Components Have Policy Instructions and Clear Procedures That Should be Leveraged**

However, some policies have very specific language and provide definitions that could help prevent the confusion that often surrounds conference planning and attendance rules. In addition, some components have very clear processes and procedures

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<sup>15</sup> DHS Management Directive 3160: *Attendance at Meetings and Conferences*; undated.

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regarding conference planning. For example, USCG kept its purchase orders, travel authorizations, and cost information readily available for review of the FY 2006 Commanding Officers' Conference, suggesting an organized and accessible record-keeping system.

In another example, the entire bidding process that led the Office of the Chief Administrative Officer (CAO) to choose its contractor for an annual conference was documented in an organized, readily available contract file and included detailed cost and attendee information. Also, USCG and ICE had review processes and responsibilities clearly defined, reducing the likelihood of confusion and noncompliance with applicable policy. Although these policies and practices provide examples of sound business and management practices that could be leveraged throughout DHS, no coordinated effort by the department has been instituted to consolidate these practices.

The October 2008 department-wide conference planning policy within the *Financial Management Policy Manual* addresses conference planning and attendance, but does not provide a comprehensive department-wide supplement to federal regulations. Instead, it refers components to their legacy policies. In addition, the conference planning policy does not address managing conference attendance at either the component or the program office level.

In leveraging sound business practices from all components, DHS has an opportunity to strengthen its conference attendance and planning policies and to create efficiencies in this area. By unifying, streamlining, and effectively communicating available guidance to DHS employees and conference planners, all components would benefit, allowing DHS to become a better steward of public funding.

## **Recommendation**

We recommend that the Under Secretary for Management:

**Recommendation #3:** Revise conference planning and attendance policies by leveraging and consolidating existing best practices and component legacy policies to develop and communicate a single, department-wide policy that provides clear and comprehensive guidance to all DHS components, and contractor staff.

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## Management Comments and OIG Analysis

**Management Response:** Management agreed with Recommendation 3. Management responded that work is under way as a part of the efficiency initiatives on use of government facilities and travel, and will serve as a basis for building comprehensive DHS policy on conferences. DHS established a Conference and Event Planning Services working group to investigate potential methods of achieving savings in this area. This working group has surveyed components to gather requirements for events across the department and is conducting market and industry research with internal government event planners. The working group is also developing a resource package with low or no cost alternatives for employees to use while planning conferences and events.

**OIG Analysis:** We consider Management's proposed actions responsive to Recommendation 3, which is resolved and open. This recommendation will remain open pending our receipt of a single, department-wide policy addressing the approval process for hosting and attending conferences, as well as the reporting and documentation requirements necessary for such events.

## Conference Data Were Unreliable and Unverifiable

DHS operates in a decentralized financial management environment, which creates difficulties in accurately tracking departmental funds spent on conferences and related travel. Information related to conferences sponsored by DHS and its components is maintained in many different offices within each component. In addition, conference planning and attendance often include planning, procurement, and travel of employees. Therefore, while conference planning data may reside in program or budget offices; documentation supporting procuring facilities and other services may be maintained in contracting offices; financial transaction data may be handled by accounting; staff expenses may be tracked in human resources; and travel costs and related documents are handled within component travel systems.

### **Discrepancies Exist in Cost Data**

Federal regulations provide guidance on the use of federal funds for conferences with the objective of ensuring that conferences are managed in a cost effective manner. During our review, DHS officials were unable to produce precise and consistent numbers on conference spending. For example, related conference expenses in

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the financial management systems throughout the department are not differentiated from other costs incurred. Therefore, direct reporting from the program offices and manual review of documentation were necessary in each component. Often, information was not maintained in a manner to facilitate proper examination, tracking of actual conference costs, or identification of a sponsoring entity.

As a result, most responses we received from components contained missing data and had discrepancies. For FY 2007 conferences, sponsorship information was often incomplete or inaccurate, as indicated in Attachment 1. Because of the size of Attachment 1, it is provided as a separate attachment to this report. In essence, the data received for FYs 2005–2007 were unreliable, unverifiable, and contained little assurance that components properly tracked or accounted for all conferences and related costs.

Conference planners frequently did not take into consideration all of the information required to estimate potential costs or account for actual costs. In particular, the costs incurred during the planning and preparation stages and other staff-related costs such as salaries, travel, and incidentals were overestimated in some cases and underestimated in others. According to OCFO data, in FYs 2005–2007, DHS spent \$110 million on conferences. OCFO compiled conference information from components and separated costs into categories such as general support, programming, salaries, travel, and other costs. Appendix D shows the component totals of expenditures reported in these categories. Because of different definitions of what constitutes a conference, along with inconsistencies in the nature and extent of documentation maintained by the components, OCFO faced significant challenges in compiling data on conferences sponsored by DHS or attended by DHS employees.

When reviewing previous DHS congressional submissions and data, we determined there were discrepancies in conference costs and attendance counts. Although unintentional, this provides an inaccurate account of actual total costs incurred, the size of the event, and expenses per attendee, and does not provide for transparency or accountability in conference activities throughout the department. For example:



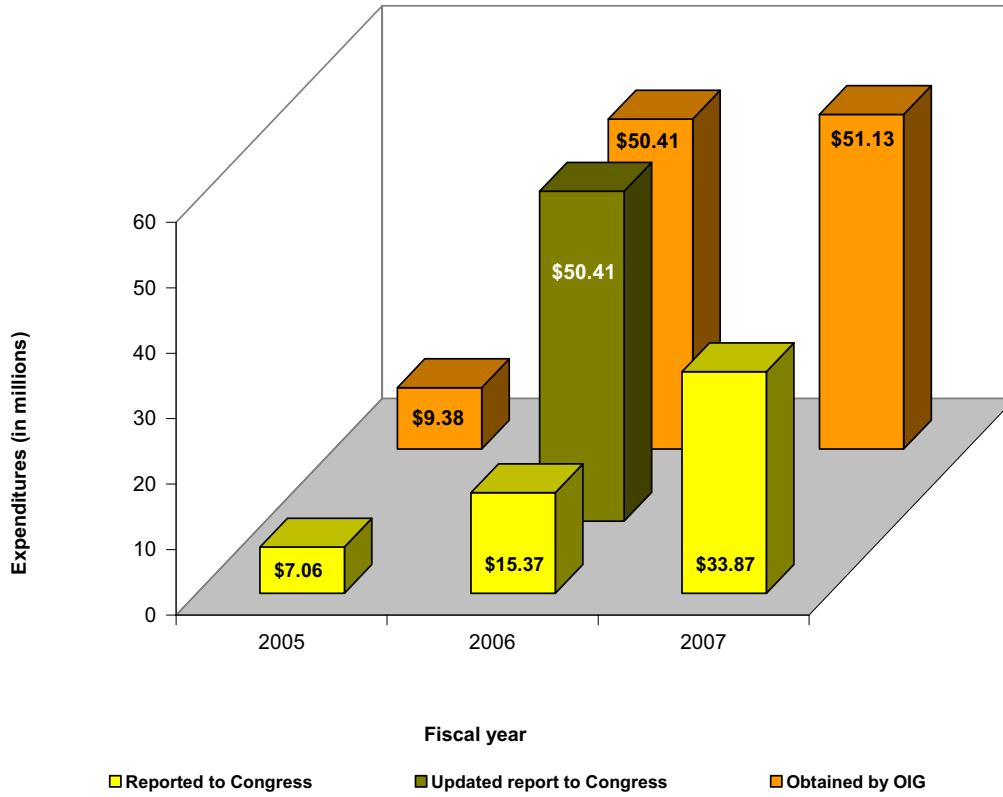
- 
- FY 2005—Conference spending previously reported to Congress totaled \$7,064,774.<sup>16</sup> Although OCFO and components were unable to provide us with complete and reliable information for FY 2005, our analysis of cost data for FY 2005 conferences totaled \$9,377,829.
  - FY 2006—Partial amount initially reported to Congress of \$15,370,713 represented estimated travel.<sup>17</sup> As Figure 2 shows, DHS subsequently revised its report to Congress to include additional conference-related expenses, which totaled \$50,410,028. This revised amount also was provided to us.
  - FY 2007—DHS reported to Congress spending \$33,865,220 for the first eight months of the fiscal year (October 2006–May 2007). Although OCFO provided information to us for the remaining four months (June–September 2007) totaling an additional \$17,266,049, OCFO staff said that this amount received from components had not been verified or vetted by OCFO. Attachment 1, provided as a separate document to this report, indicates FY 2007 conferences that have not been verified or vetted for accuracy by OCFO.

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<sup>16</sup> The Office of Senator Tom Coburn, R-Oklahoma, *Conference spending by agency*, 02/16/06.

<sup>17</sup> Statement by Eugene Schied, DHS Deputy Chief Financial Officer, before the Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Federal Financial Management, Government Information, and International Security Hearing: DHS Conference Spending; September 14, 2006.

**Figure 2: Discrepancies in DHS Conference Spending Data Reported and Obtained**



Source: OIG analysis based on data provided by OCFO, August 2008.

**NOTE:** Because of variation in reporting quality over years and among components, these numbers may or may not represent an increase in conference activity and could indicate an increase in reporting.

Similar differences existed when reviewing the 11 conferences in detail. During FYs 2005–2007, OCFO issued data calls to DHS components requesting information on all conferences sponsored or attended. However, the amounts reported by components to OCFO for the 11 conferences were different from the amounts we obtained directly from the components for the same conferences. As shown in Table 3, eight of the 11 conferences we reviewed reported different conference costs, some substantively.

**Table 3: Discrepancies in Conference Costs Reported by Components**

Component	Conference	Reported to OCFO	Reported to OIG	Discrepancy
FEMA	2006 NDMS	\$ 3,392,575	\$ 3,347,952	\$ (44,623)
	Region IX RISC	\$ 66,247	\$ 176,094	\$ 109,847
ICE	Detention Management	\$ 724,596	\$ 146,647	\$ (577,949)
	Asia Attaché	\$ 82,358	\$ 113,184	\$ 30,826
USCG	D13 AToN	\$ 1,458,383	\$ 22,934	\$ (1,435,449)
	D17 Commanding Officers'	\$ 96,570	\$ 113,401	\$ 16,831
S&T	2005 BioWatch	\$ 503,000	\$ 503,000	\$ —
	Underwater Tunnel	\$ 104,500	\$ 100,000	\$ (4,500)
	Asia Pacific Expo*	n/a	\$ 93,036	n/a
DEP OPS	FY2007 CAO Forum	\$ 300,000	\$ 300,000	\$ —
	29th Privacy Commissioners'	\$ 16,903	\$ 16,354	\$ 549

Source: OIG analysis based on data provided by OCFO, August 2008, as well as data received directly from components, October 2008 to March 2009.

\*This conference occurred after the components provided these figures to the OCFO

### **Discrepancies Also Exist in Attendance Counts**

According to the FTR, each agency must establish policies that reduce the overall cost of conference attendance. These policies must limit employee attendance to a minimum number of attendees, determined by a senior official, necessary to accomplish the agency's mission; and provide for the consideration of travel expenses when selecting attendees.<sup>18</sup>

According to MD 3160, a need also exists to ensure that attendance at meetings and conferences is held to a prudent level; however, this guidance is subjective and no standardized department-wide method is used to minimize attendance. We reviewed data from OCFO and information directly from components with respect to the number of employees who attended the 11 conferences. Again, discrepancies existed in attendance totals and we were unable to validate the accuracy of the information. Because of an inconsistent departmental definition, numbers could include only the sponsoring program office's employees, component employees, or all DHS employees who attended. Without using consistent methodology in maintaining attendance records and a

<sup>18</sup> 41 CFR § 301-74.18: What policies and procedures must we establish to govern the selection of conference attendees?

final reconciliation of conference details, Management cannot effectively provide oversight and monitor policy compliance.

As indicated in Table 4, seven of the 11 conferences provided different data on attendance.

**Table 4: Discrepancies in Conference Attendance Reported by Components**

Component	Conference	Reported to OCFO	Reported to OIG	Discrepancy (#)	Reported Difference (%)
FEMA	2006 NDMS	842	831	11	(1%)
	Region IX RISC	13	32	19	40%
ICE	Detention Management	105	61	44	(58%)
	Asia Attaché	17	17	0	0%
USCG	D13 AToN	22	175	153	13%
	D17 Commanding Officers'	32	65	33	51%
S&T	2005 BioWatch	2	16	14	13%
	Underwater Tunnel	3	3	0	0%
	Asia Pacific Expo*	n/a	18	n/a	n/a
DEP OPS	FY2007 CAO Forum	635	639	4	(0.2%)
	29th Privacy Commissioners'	5	5	0	0%

Source: OIG analysis based on data provided by OCFO, August 2008, as well as data received directly from components, October 2008 to March 2009.

\*This conference occurred after the components provided these figures to OCFO

### **Accountability and Tracking Need Improvement**

The general inability of DHS to produce precise and consistent information provides little assurance that all conferences and costs were accounted for properly. We determined that DHS did not have a uniform reporting system to capture conference costs or a process to easily track or extract all costs associated with conferences.

A DHS official said there is no reason to track conference expenditures because there are no spending restrictions. Another said there was no benefit to DHS components tracking conference expenditures, other than data call reporting to Congress. However, Management and components have a fiduciary and strategic responsibility for establishing and maintaining internal controls to achieve effective and efficient operations and reliable financial reporting. Conferences represent a significant area of activity in

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DHS and should be managed with the same diligence as other program activities.

Reconciliations or comparisons of data and periodic assessments should be integrated into Management's and components' continuous monitoring of internal controls.<sup>19</sup> By not having such internal controls, staff relied on *ad hoc* system queries and manual analysis to produce requested information. The data provided to us by Management and components on conferences sponsored and funds spent were questionable in both accuracy and completeness. DHS was unable to determine why variances occurred, but explained that a need for compatible information and accounting systems, coupled with human error and multiple field and program offices, are major reasons why numbers vary.

Currently, DHS components are planning and sponsoring conferences without any consistent approval or tracking processes. When combined with inconsistent conference costs and attendance numbers, DHS needs to develop better management controls to ensure that conferences are funded and attended only for mission-critical purposes and that costs are minimized to the greatest extent possible. In assessing, tracking, and monitoring conferences, DHS must use innovative tools, methods, and systems to ensure accountability and cost minimization across the department. By promoting cooperation among its components and analysis of lessons learned internally and by other federal entities, Management has the opportunity to develop a systematic, disciplined approach to managing conference-related costs.

Exploring options such as centralizing conference planning functions can add value to the process by circumventing known risks and by maximizing benefits attained department-wide. For example, the U.S. Department of Energy employs a departmental Conference Management System, which can obtain advance approvals of conference details and is a centralized monitoring and reporting tool for management officials and Congress. Reportedly, the system provides accessible, retrievable, and reliable data on the number of conferences funded, associated costs, and a valuable foundation for comprehensive conference budgeting and planning.<sup>20</sup> DHS must develop processes and tools to increase the transparency of conference spending, which will help identify and

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<sup>19</sup> Office of Management and Budget Circular No. A-123, Revised: *Management's Responsibility for Internal Control*, § II.E.: Standards—Monitoring, December 21, 2004.

<sup>20</sup> Department of Energy Order 110.3A: *Conference Management*; January 25, 2007.

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eliminate non-mission-critical travel for employees and promote better accountability of funds used to sponsor conferences.

Comprehensive cost and planning information should be collected to allow managers to make informed decisions regarding the reasonableness or necessity of proposed DHS conference expenditures. A singular, defined practice of capturing and reporting all conferences costs incurred is needed to ensure that data are reliable and verifiable. In addition, quality control procedures should be created to prevent discrepancies and variances in reported conference totals.

## **Recommendations**

We recommend that the Under Secretary for Management:

**Recommendation #4:** Establish a department-wide methodology to uniformly and consistently capture and report on conference related planning and cost information.

**Recommendation #5:** Develop a plan to approve, track, report, and conduct periodic reviews of department-wide conference related costs and attendance to increase accountability and transparency of DHS conference activities.

**Recommendation #6:** Conduct a cost-benefit analysis to determine the value of implementing a department-wide conference management information system to facilitate tracking, monitoring, and reporting costs, attendance, and mission achievement.

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## Management Comments and OIG Analysis

**Management Response:** Management responded that it agreed with Recommendation 4. Management said that consistently reported conference information and periodic reviews of conference activities are important factors in establishing proper controls for accountability and transparency of DHS conference activities. DHS directives on travel and use of government facilities include specific guidance on the various aspects of conference planning, travel, performing a cost benefit analysis, and ensuring adequate controls and approval processes are in place. As part of establishing comprehensive guidance on conference activities, which will cover definitions, planning, ethics, travel, record keeping, and other legal and management aspects, DHS will also implement an oversight function to provide assurance that conference guidance is successfully and consistently implemented in DHS components.

In addition, Management responded that long-term DHS-wide financial systems consolidation efforts could be leveraged to support accurate tracking of conference related costs. Including conference data elements as part of financial and acquisition systems will provide a centralized data reporting mechanism and preclude the need for a separate conference management information system.

**OIG Analysis:** In response to Recommendations 4, 5, and 6, Management provided one response to address these recommendations. We consider Management's proposed actions responsive to Recommendation 4, which is resolved and open. This recommendation will remain open pending our receipt of an official department-wide policy, which provides clear guidance to the department and all components on the reporting and documentation requirements necessary for hosting, co-hosting, and attending conferences as defined by the department. This guidance should include direction on the quality control of data submissions.

**Management Response:** Management responded that it agreed with Recommendation 5. As part of establishing comprehensive guidance on conference activities, which will cover definitions, planning, ethics, travel, record keeping, and other legal and management aspects, DHS will also implement an oversight function to provide assurance that conference guidance is successfully and consistently implemented in DHS components.

**OIG Analysis:** We consider Management's proposed actions responsive to Recommendation 5, which is resolved and open. This recommendation will remain open pending our receipt of an official

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department-wide policy, which clearly outlines the roles and responsibilities for periodic reporting of conference activity to a central designated entity.

**Management Response:** Management responded that it agreed with Recommendation 6. Management said that long-term DHS-wide financial systems consolidation efforts could be leveraged to support accurate tracking of conference related costs. Including conference data elements as part of financial and acquisition systems will provide a centralized data reporting mechanism and preclude the need for a separate conference management information system.

**OIG Analysis:** We consider Management’s proposed actions responsive to Recommendation 6, which is resolved and open. This recommendation will remain open pending our receipt of cost and benefit results, a specific implementation plan, or a feasibility study for including conference data elements into DHS-wide financial and acquisition tracking systems. The option taken needs to identify the types of data captured across the department.

## **Conference Costs Do Not Have Sufficient Supporting Documentation**

According to the DHS Records Management Handbook, all government employees and contractors are required to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency. Further, DHS requires that records be properly stored, preserved, and available for retrieval, and disposed of only in accordance with National Archives and Records Administration-approved records control schedules.<sup>21</sup> Maintaining adequate and proper documentation supports business processes, and maintaining sufficient working files provides a complete understanding of the entire transaction cycle.

Most documentation developed to support conference planning activities is financial. Whether it is procurement for such items as securing a facility, arranging for exhibition materials, ordering food and beverage service, printing programs; or incurring expenses such as travel arrangements, lodging, shipping of materials to the site, and mailing of invitations or flyers; there is a fiscal effect on program, office, component, and department budgets. There can also be an effect on the department’s

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<sup>21</sup> DHS *Records Management Handbook*, v.2; 0550 Publication, Chapter 1, § 3(c): Policy; January 2005.



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ability to demonstrate that particular performance measures have been met, through conference activities, when no records of the achievement exist.

During our review, DHS had no efficient means of locating applicable documents or information systems that could be easily queried to obtain detailed financial or other supporting information about conferences. As a result, components were slow to respond and did not uniformly document or categorize expenditures. We also reviewed reported costs, cost comparisons for locations, and the use of external event planners for the 11 conferences. This information revealed that site comparisons were frequently not performed or documented, and cost-benefit factors often were not considered when choosing external event planners over internal staff to carry out conference planning and organizing.

**Conference Information Was Not Retrievable in a Timely Manner and Descriptions Varied**

We requested basic information on each of the 11 conferences such as the date, location, number of attendees, sponsorship, and whether the conference was held annually. Although DHS components were able to provide this information, and the descriptions of each conference appeared related to programmatic goals, responses were not timely and descriptions varied.

Also, there was no central point within DHS or the five components we reviewed responsible for maintaining all documents or reporting on all costs elements of conference spending. As a result, components were slow to respond to our information requests, provided incomplete information, and had trouble identifying the appropriate individuals or offices within the component that would have knowledge of the requested information. As Table 5 indicates, response times and amount of requested documentation received varied by component.

**Table 5: Component Response Times for Requested Documentation**

Component	Conference	General information: dates, location, frequency, sponsorship, attendees	Cost comparison documentation	Breakdown of costs: general support, salaries, travel, other costs	Attendee list	Contracts, invoices, purchase orders	Travel vouchers and receipts for sample DHS attendees
FEMA	2006 NDMS	●	○	●	○	○	
	Region IX RISC	●	●	●	●	●	●
ICE	Detention Management	●	●	●	●	●	
	Asia Attaché	●	○	●	●	○	
USCG	D13 AToN	●	●	●		●	
	D17 Commanding Officer's	●	●	●	●	●	●
S&T	2005 BioWatch	●		○	○	○	
	Underwater Tunnel	●	N/A*		●	●	
	Asia Pacific Expo	●	N/A†		●		●
DEP OPS	FY2007 CAO Forum	●	●	●	●	●	N/A‡
	29th Privacy Commissioners'	●	N/A†	●	●	N/A†	●

\*Grant-funded contract with the US Army Corps of Engineers

†Component did not host conference

‡Local travel only

Component provided requested documentation:

●	Within 1 month
○	Within 1-3 months
○	In over 3 months
	Incomplete or not provided/available

Source: OIG analysis based on data provided directly by components, October 2008 to March 2009.

For two of the five components, it was difficult to determine which program office sponsored the conference or to identify the correct points of contact. For example, FEMA officials could not locate any documentation or knowledgeable internal points of contact for the National Disaster Medical System (NDMS) conference that FEMA sponsored in 2006. As a result of the transitioning of NDMS from FEMA to the U.S. Department of Health and Human Services in January 2007, the need for more institutional knowledge resulted in poor accessibility and limited preservation of pertinent conference records.

**Reported Costs Were Not Comprehensive**

When planning and sponsoring conferences, comprehensive data and cost information must be collected and maintained to allow managers to make informed decisions, to ensure that costs are reasonable and necessary, and to prevent departmental vulnerabilities to excessive charges. Maintaining comprehensive and organized documentation has the benefit of eliminating disputes on decisions reached, work authorized, and agreed-upon costs. It also reduces the need for frenzied data compilation when requested by departmental or congressional officials. In addition,

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organized record-keeping often makes up for institutional knowledge when program staff moves on, and allows for readily retrievable records whenever necessary.

For the conferences we reviewed, there was little documentation associated with planning and insufficient supporting documentation for costs. We were unable to assess steps taken for decisions made and actions taken to minimize costs. Although all components reviewed indicated that all funds used were from assigned program budgets, and that there was no reprogramming of funds to support these conferences, it is incumbent upon the components to ensure that funds used to sponsor or attend conferences are expended in accordance with relevant appropriations law and organizational mission. In cases where document support existed, it was not readily available for examination and staff was initially unable to locate detailed information on the selected conferences.

In addition, costs were reported inconsistently as estimates, projections, awarded, budgeted, or actual expenses. Supporting documents and invoices frequently did not equate with the total reported costs spent on the conference. For instance, S&T reported that for the BioWatch conference, they spent approximately \$190,000 on conference costs, excluding travel and salary expenses. However, a task order was issued for \$426,637. We requested the related invoices from S&T, and they provided a set of cumulative invoices from one contractor, which included one invoice related to the conference indicating that it was the final invoice for the conference totaling \$288,888 cumulative to date.

We have no information to confirm whether the remaining funds were spent and what they were spent on. In addition, it appears that components have underestimated and underreported conference costs. For example, invoices retrieved from the NDMS contractor and subcontractor were significantly more than what was reported to us by FEMA, a difference of approximately \$580,000. Another underestimate of costs appears in the S&T Asia Pacific Homeland Security Summit and Exposition, where the component estimated \$62,500 in conference expenses, excluding travel and salary, and we received copies of invoices for approximately \$85,000.

Other DHS components did not include similar expenses within conference cost categories. ICE's Detention Management Control Program and the Regional Asia Attaché conferences included some travel costs, such as taxis, rental cars, and hotels in the "Other

Costs” category, and not within the travel expense category. This initially caused an overstatement of other costs for which we expected to see related documentation or invoices to explain such expenses. However, after further examination, these other expenses were determined to be associated with employee travel reimbursements. For other conferences, some expenses such as salaries or travel were not included in the total costs. Table 6 shows the breakdown of costs for the 11 conferences, as provided by components or determined from invoices.

**Table 6: Component-Reported Expenditures for Eleven Sample Conferences**

Comp.	Conference	General Support	Salaries	Travel	Other Costs	Total
FEMA	2006 NDMS	\$ 999,434	\$ 1,277,359	\$ 1,071,159	—	\$ 3,347,952
	Region IX RISC	\$ 100,000	\$ 26,500	\$ 39,250	\$ 10,344	\$ 176,094
ICE	Detention Management	—	\$ 44,137	\$ 91,116	\$ 11,393	\$ 146,646
	Asia Attaché	—	\$ 33,550	\$ 54,620	\$ 25,013	\$ 113,184
USCG	D13 AToN	—	—	\$ 12,233	\$ 10,700	\$ 22,933
	D17 Commanding Officers’	\$ 7,094	\$ 69,556	\$ 36,750	—	\$ 113,400
S&T	2005 BioWatch	\$ 97,000	—	\$ 311,800	\$ 94,200	\$ 503,000
	Underwater Tunnel	\$ 99,999	—	—	—	\$ 99,999
	Asia Pacific Expo	\$ 85,835	—	—	\$ 7,200	\$ 93,035
DEP OPS	FY2007 CAO Forum	\$ 300,000	—	—	—	\$ 300,000
	29th Privacy Commissioners’	—	—	\$ 8,307	\$ 8,046	\$ 16,354

Source: OIG analysis based on data provided directly by components, October 2008 to March 2009.

We also examined available documentation for food and beverages, audiovisual and equipment, registration fees, site cost comparisons, and use of external event planners.

Food and Beverages

According to the Government Accountability Office (GAO), as a general rule, appropriated funds are not available to provide free food to government employees at their official duty stations unless specifically authorized by statute.<sup>22</sup> However, GAO has determined that there are certain exceptions to this

<u>Food and Beverages</u>	
CAO Forum.....	\$137,700
BioWatch .....	\$42,638
NDMS.....	\$41,250
D17.....	\$2,478
RISC .....	\$2,315

<sup>22</sup> GAO, Principles of Federal Appropriations Law (Red Book), pg. 4-103.

rule.<sup>23</sup> One such exception is provided for in section 301-74.11 of the FTR, which allows agencies hosting conferences to provide light refreshments to agency employees in a travel status.<sup>24</sup>

GAO contemplates other exceptions in its Red Book, as well as in numerous Comptroller General opinions. However, a succinct summary of those rules, as they relate to DHS conference planners, is provided in both the 2006 and 2009 DHS Office of General Counsel's *Conferences* memoranda. The memorandum provides guidance for conference planners to use when determining whether appropriated funds may be used to provide food at training conferences, as well as formal conferences sponsored by DHS, other federal agencies, or non-federal entities.

We reviewed the conferences to determine food and beverage expenses and determined that five conferences incurred costs for food and beverages totaling \$226,381. Because of insufficient supporting documentation, it was difficult to determine what the food and beverage expense included and whether it would be considered light refreshments or a meal. In only one case were we able to verify that the cost of the meal was in line with the applicable regulations and with the *per diem* rate for that location.

#### Audiovisual Support

Similar to other conference costs, agencies have considerable discretion regarding their spending on audiovisual support for conferences, including equipment rental and direct labor associated with equipment setup and operation. Furthermore, the *Acquisition Oversight Program Guidebook* attached to MD 0784:

*Acquisition Oversight Program* directs acquisition personnel to obtain supplies and services at fair and reasonable prices. However, neither fair nor reasonable are explicitly defined in the directive.

<u>Audiovisual</u>	
NDMS.....	\$113,118
CAO Forum.....	\$54,871
BioWatch .....	\$22,472
Asia Pacific Expo .....	\$13,242
RISC .....	\$2,173

<sup>23</sup> GAO, Red Book, pp. 4-103 through 4-119.

<sup>24</sup> 41 CFR § 301-74.11: May we provide light refreshments at an official conference? GAO, Red Book, pp. 4-110 through 4-111.

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Based on documentation we received, in five of the 11 conferences, costs amounting to \$205,876 were incurred for audiovisual or other technological equipment.

We also note other significant costs that can be incurred in holding conferences and for which discretion should be used to ensure reasonableness. One such cost appeared in the documents for S&T's presence at the Asia Pacific Expo, where \$35,000 was spent for booth space, along with \$19,791 to rent and set up a display, \$11,082 to fly the display to Hawaii, and \$6,201 for miscellaneous exhibit space and freight costs. Although we did not have enough information to determine the reasonableness of these costs, this is an example of areas where components should maintain proper documentation and justifications to demonstrate the necessity of such costs and the fairness of the price.

### Registration Fees

According to 31 U.S.C. § 3302(b), also known as the *Miscellaneous Receipts Statute*, an official or agent of the government receiving funds "from any source shall deposit the money in the Treasury as soon as practicable without any deduction for any charge or claim." This is to prevent an agency from augmenting its funds from sources outside of those appropriated by Congress without statutory authority.

DHS' Office of General Counsel 2006 and 2009 *Conferences* memoranda explicitly state that DHS may not directly collect "funds from individual conferees" or "exhibitor fees from private entities" to defray or reduce the official costs of conferences.

Components confirmed that they did not charge attendees any registration fees in connection with any of the DHS-sponsored conferences we reviewed.

### Cost Comparisons Often Were Not Conducted

Conference planners are required to conduct site comparisons and are to consider both lower cost conference locations and venues at various locations.<sup>25</sup> For conferences with greater than 30 attendees, federal agencies must consider at least three conference sites and must maintain a cost record of each alternative

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<sup>25</sup> 41 CFR § 301-74.3: What must we do to determine which conference expenditures result in the greatest advantage to the Government?

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conference site.<sup>26</sup> With respect to comparing costs for specific venues, a planner considers such items as the availability of lodging rooms at *per diem* rates, transportation fees, the convenience of location, availability of meeting space, and equipment and supplies.<sup>27</sup> In addition, agencies “may not directly procure lodging facilities in the District of Columbia without specific authorization and appropriation from Congress.”<sup>28</sup>

In assessing the justification for an agency hosting a formal conference, GAO issued an opinion stating that “[a]n agency, generally, does not need express statutory authority to host a conference, so long as the agency determines that a formal conference is reasonably and logically related to carrying out its statutory responsibilities and serves its statutory mission.”<sup>29</sup> Therefore, for formal conferences, DHS should exercise great care when expending federal resources on conference related activities, ensuring that the conference site is not extravagant, overly associated with vacation destinations, or otherwise inappropriate for a conference of government personnel performing official duties.

We determined that two components did not provide adequate supporting documentation related to conducting cost comparisons. FEMA sponsored a conference for its Region IX Regional Interagency Steering Committee (RISC) meeting, which was held at the Waikiki Beach Marriott Hotel.<sup>30</sup> The conference was scheduled to coincide with the State of Hawaii’s Makani Pahili Exercise as an opportunity to gain information and develop realistic contingency plans for requirements to support the state during an emergency response. FEMA reported agency attendance at 32 and the total conference attendance, including local attendees, was 195. Federal agencies are required to consider at least three conference sites and keep records of these cost comparisons when planning a conference for over 30 attendees. FEMA officials stated that they were not aware of any cost comparisons that might have been done with respect to the site selection for the RISC meeting.

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<sup>26</sup> 41 CFR § 301-74.19: What records must we maintain to document the selection of a conference site?

<sup>27</sup> 41 CFR §301-74.4: What should cost comparisons include?

<sup>28</sup> 41 CFR §301-74.17: What special rules apply when a conference is held in the District of Columbia?

<sup>29</sup> GAO Opinion B-300826

<sup>30</sup> RISC meetings rotate from state to state in Region IX, and this meeting was held in Hawaii as its normal place in the rotation.

Similarly, S&T provided information describing the purpose of the BioWatch conference, held in Washington, DC, as an opportunity to share accomplishments, discuss lessons learned, and target future goals. According to S&T officials, 16 component staff attended the conference, but approximately 400 people from federal and state governments and the private sector also attended. For this conference, S&T used an external event planner that organized the event and arranged for the location. However, S&T did not maintain any supporting documentation to ensure that the external event planner conducted site comparisons or followed federal regulations regarding renting facilities in the District of Columbia. S&T officials also noted that the internal S&T program manager and Contracting Officer's Technical Representative are no longer employed by S&T, making it difficult to determine what was actually done or where supporting documentation may be.<sup>31</sup>

Even though information provided for the other conferences demonstrated that cost comparisons were done for the locations, efforts can be made to minimize expenditures for the rental of private facilities when government facilities are available. Of the conferences we reviewed, five incurred facility costs, totaling \$227,039.

<u>Facilities</u>	
NDMS.....	\$218,477
RISC .....	\$5,837
Asia Attaché.....	\$1,725
D17 .....	\$800
AToN .....	\$200

In addition, consideration must be given to other cost categories to ensure a well rounded evaluation of all costs when choosing a location. For example, to eliminate unnecessary expense, ICE used its own facilities, incurring no costs, when sponsoring the conference on Detention Management Control Training. In another case, the USCG used a naval station for the West Coast AToN conference at a cost of \$200 with staff lodged on USCG ships, minimizing hotel costs.

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<sup>31</sup> A Contracting Officer's Technical Representative is the liaison between the government and a private contractor. The representative is responsible for recommending, authorizing, or denying actions and expenditures for standard delivery orders and task orders, as well as monitoring the contractor's progress in performance of the technical requirements specified in the contract. The representative maintains administration records, approves invoices, and performs final inspection and acceptance of work performed under the contract.



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## **External Event Planner Use**

The FTR does not provide specific guidance regarding the outsourcing of conference planning to an external event planner. In the absence of such guidance, it can be inferred, and was by the Department of Justice Office of Inspector General, that the external event planner, as an agent of the government, should comply with the FTR's general conference planning mandates.<sup>32</sup>

DHS' Office of General Counsel reinforces this inference in its 2006 *Conferences* memorandum by providing some DHS specific guidance regarding what contract conference facilitators can and cannot do.

Contract Conference Facilitators Can:

- Act on behalf of an agency to identify suitable facilities and generally assist with conference logistics
- Assist in arranging the agenda, preparing conference materials, and identifying speakers
- Collect the costs of "unofficial activities" that are available to individual conferees at no additional cost to the government, such as sightseeing trips or tickets to local sporting events

Contractors Cannot:

- Do anything by proxy that government agents are barred from doing themselves

According to a DHS official knowledgeable of department's conference activities, most planning is done internally. Three conferences we reviewed used external event planners. Each provided different levels of support, but the services included performing site selections, arranging for hotel lodging and meeting room space, and preparing budgets for DHS officials.

As a result of using external event organizers, we were able to review detailed breakdowns of funds spent in specific cost categories. For example, through the contract files maintained for the FY 2007 CAO Forum, we obtained checklists of documentation and comparisons, which ensured full compliance with all applicable regulations. Similarly, we examined the

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<sup>32</sup> Department of Justice Office of the Inspector General, Audit Report 07-42: *Department of Justice Conference Expenditures*; September 2007.

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records of the external event planner for the FEMA 2006 NDMS conference, which provided essential information about budgeted vs. actual expenditures and a comparison with prior year expenditures. In this case, we obtained valuable cost information from the contractor and subcontractor that FEMA was unable to provide. Other than the submitted invoices, S&T did not provide any documentation from its external event planner for the BioWatch conference, so we were unable to determine the extent of documentation created for this conference.

Because of insufficient documentation for all conferences reviewed, we did not draw conclusions about potential cost savings that may exist with the use or non-use of external event planners. However, when developing plans to sponsor a conference, an assessment is necessary to ensure that external event planning costs comply with regulations and policies and would be the most cost-effective means for planning a conference, compared with using internal staff.

Given the identified deficiencies, it is prudent for DHS to develop effective methods to ensure that records created and received are maintained in a manner that allows for easy and timely retrieval. Adequate and proper documentation provides evidence of DHS activities and ensures a decision-making trail. In addition, a comprehensive record-keeping system supports the functions required to track financial and administrative transactions, and provides detailed information significant to the management of operations. These efforts will reduce inconsistencies in reported costs, minimize costs related to the rental of nongovernment facilities, and identify cost savings related to conference planners.

## **Recommendations**

We recommend that the Under Secretary for Management, in coordination with DHS components:

**Recommendation #7:** Develop a department-wide record-keeping standard for conference related documents and records to ensure adequate documentation is maintained to justify and support all decisions and transactions.

**Recommendation #8:** Designate a central point within each DHS component responsible for maintaining component-specific documentation related to conference expenditures.

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## Management Comments and OIG Analysis

**Management Response:** Management responded that it agreed with Recommendation 7. Management said comprehensive conference guidance should include direction on how to properly document and justify the decision for conducting a conference, including a cost benefit analysis and elements of cost that must be considered and documented in the decision process. Guidance on record-keeping standards should also be included and will be consistent with existing DHS Directives and guidance on record keeping requirements.

Currently, DHS requires each component designate a senior accountable official to ensure component conference and travel related activities are mission critical and are conducted as efficiently and effectively as possible, but further comprehensive guidance would enhance implementation.

**OIG Analysis:** In response to Recommendations 7 and 8, Management provided one response to address these recommendations. We consider Management's proposed actions responsive to Recommendation 7, which is resolved and open. This recommendation will remain open pending our receipt of an official department-wide policy, which provides clear guidance to the department and all components on the reporting and documentation requirements necessary for hosting and co-hosting conferences as defined by the department. This guidance should be a mandatory minimum standard, in compliance with and supplementing the FTR, and include direction on the quality control of data submissions.

**Management Response:** Management responded that it agreed with Recommendation 8. Currently, DHS requires each component designate a senior accountable official to ensure component conference and travel related activities are mission critical and are conducted as efficiently and effectively as possible, but further comprehensive guidance would enhance implementation.

**OIG Analysis:** We consider Management's proposed actions responsive to Recommendation 8, which is resolved and open. This recommendation will remain open pending our receipt of an official department-wide policy, which assigns the responsibility for tracking component-specific documentation related to conference expenditures and the reporting of such expenditures to a central designated entity.

## DHS Travel Expenditures Were Not Supported Consistently or in Compliance With Applicable Regulations

Federal employees on official government travel are limited in the types and amount of expenses that can be reimbursed from appropriated funds. They are expected to exercise the same care in incurring expenses that a prudent person would when traveling on personal business. According to the FTR, the *per diem* allowance is a flat daily payment, instead of a reimbursement for actual expenses for lodging, meals, and related incidental expenses.<sup>33</sup> The maximum *per diem* rate is dependent upon the location of travel; and in general, receipts are required only for lodging expenses and other expenses over \$75.<sup>34</sup> These allowance rates are established by GSA for in-CONUS locations. For non-CONUS locations, the Department of Defense establishes allowances for non-foreign locations, and the Department of State does the same for foreign locations.

Based on the number of attendees reported to us by five DHS components, we requested 25% of the travel vouchers for examination in detail. Of the 72 vouchers we requested, DHS components were able to provide only 47, or 65%. We were unable to determine or verify the costs of conference related travel and travel reimbursements accurately because of deficiencies in supporting documentation.

**Table 7: Summary of Travel Documentation Requested and Received**

Component	Vouchers Requested	Vouchers Received *	Percentage Received
FEMA	27	21	78%
ICE	18	5	28%
USCG **	13	13	** 100%
S&T	12	6	50%
DEP OPS	2	2	100%
<b>Totals</b>	<b>72</b>	<b>47</b>	<b>65%</b>

Source: OIG analysis based on data provided directly by components

\* Attendees who incurred only local travel and were identified as such by the component were included under "Voucher Received."

\*\* USCG information included here is only for the D17 Commanding Officers' Conference. No attendee list was kept for the D13 AToN conference; therefore, no travel vouchers were requested.

<sup>33</sup> 41 CFR §300-3.1 What do the following terms mean?

<sup>34</sup> 41 CFR § 301-11.25 & 41 CFR § 301-52.4.

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### **Some Meals Were Not Deducted**

We reviewed the available travel vouchers to determine whether costs were reimbursed in accordance with applicable regulations and policies. The FTR mandates the following when meals or light refreshments are furnished by the government or are included in the registration fee:

- If meals are furnished, the appropriate deduction from the meals and incidental expenses (M&IE) rate must be made, and
- If only light refreshments are furnished, no deduction of the M&IE allowance is required.<sup>35</sup>

Although meals had been provided to the attendees during several of the conferences, we determined that some DHS employees had not deducted the corresponding meal *per diem* amounts from their official travel vouchers, as required. Thus, it appears these individuals claimed and were reimbursed for meals they received at no cost. For example, six employees neglected to deduct the lunch portion of their M&IE for the FEMA NDMS conference totaling \$78. In another instance, one S&T employee who attended the Asia Pacific Homeland Security Summit and Expo, did not reduce the *per diem* to reflect any of the meals provided, amounting to an overpayment of \$102.

### **Some Transportation Reimbursements May Have Been Excessive**

We also noted some reimbursements seemed excessive and the reasonableness could not be determined since there were no notations justifying such costs. For instance, the federal government reimbursed two travelers for what appears to be unreasonably expensive taxi costs for the ICE Detention Management Control Program Training. With this conference, component officials said the travel vouchers were archived and no longer available in their travel system. In lieu of travel vouchers, the component provided travel authorizations printed from its Federal Financial Management System.

In addition, to show the amounts paid to the attendees, ICE officials provided copies of the travelers' Obligation Document

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<sup>35</sup> 41 CFR § 301-74.21: What is the applicable M&IE rate when meals or light refreshments are furnished by the Government or are included in the registration fee?

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Transaction Reports from this system. However, ICE did not provide receipts or invoices for the reimbursed expenses. Without the receipts, it is difficult to determine whether the two payments of \$206 and \$104 for taxi cost reimbursements were reasonable. However, when compared to other travelers for the same conference, records indicate that two other travelers were reimbursed for taxis in the amount of \$80 and \$85. Also, for S&T's presence at the Asia Pacific Expo and DEP OPS' presence at the Privacy Conference, employees were reimbursed \$272 and \$177 respectively for taxis.

In addition, there were flights to Singapore for two employees to the ICE Asia Attaché Conference, which cost \$8,654 and \$7,207, respectively. Although this conference took place in January 2007, recent searches of similar itineraries for a round trip, restriction-free, refundable coach ticket from Washington, DC, to Singapore on the same air carrier quoted much lower fares. Although these costs may be reasonable, the component did not submit receipts or invoices to support the amounts claimed on the travel vouchers.

We also reviewed a number of other travel records that were completed incorrectly and omitted relevant information. Some did not provide adequate explanation or justifications on the travel documentation to readily determine the appropriateness of the costs. For example, it appeared that FEMA reimbursed one employee \$176 for a canceled airline ticket, a second employee \$466 for duplicate lodging costs, and a third for \$145 for an extra day of lodging and *per diem*. In another example, DEP OPS provided reimbursement of a \$454 conference fee to attend an evening gala for an employee at the Privacy Conference. The cost was separate from the cost of the conference itself and typically would not be reimbursable. Again, without proper justifications noted on the supporting documentation, we cannot determine whether these reimbursed costs were appropriate.

Lastly, S&T approved a reimbursement for an employee to use a non-city-pair airline carrier for restricted air travel booked through a commercial web-based travel site.<sup>36</sup> The FTR requires federal employees to use city-pair contract fares, reserved through the E-Gov travel service or their agency's travel management system, with very limited exceptions. One exception states that a non-contract carrier can be used when a lower fare is offered to the

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<sup>36</sup> GSA administers the Airline City-Pair program, which offers discounted air passenger transportation for federal government travelers.

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general public that, when used, will result in a lower total trip cost to the government. Although the employee saved \$226, or 19% of the city-pair unrestricted contract fare, by using the commercial travel service, no documentation existed comparing unrestricted airfare through the commercial web-based travel site. In addition, this exception appeared to be used solely for the purpose of allowing the employee to conduct personal travel.

The employee was on approved leave for four days prior to the conference. Records indicate that the employee flew from the duty station in Washington, DC, to Texas, stayed in Texas for four days, and then flew from Texas to Hawaii, the conference site. After the weeklong conference, the employee flew from Hawaii back to Texas, stayed for the weekend, and then flew back to the duty station. This flight activity appears to have supplemented personal costs for a vacation that was in essence paid for by the federal government. In addition, there was no documentation in the travel packet to support the claim that the price difference represented a significant cost-saving to the government, or that it resulted in a lower total trip cost, as required by the FTR.

Although DHS may not have incurred any additional costs with these travel plans—and actually saved money in the transaction—DHS must ensure that decisions to use non-contracted airfares are made for mission-critical purposes and not solely for employee preferences. For instance, the Department of Health and Human Services requires authorization for the use of non-contract carrier service only when the cost savings on the non-contract fare will be at least 40% of the total cost of the contract carrier fare. This helps ensure the integrity of the entire federal government contract, which is negotiated to provide major cost savings and competitiveness over time.

Under the 2009 DHS Secretary's Efficiency Review Initiatives, the department recently identified particular areas of potential inefficiency, and employee travel is one of those areas. Every effort should be made to ensure that conference-related travel is for mission-related purposes and incurs the least cost. Establishing controls will assist in identifying costs that do not further DHS' mission, or are not advantageous for the department to incur. By not performing adequate internal controls for conference-related travel, DHS is subject to unallowable and excessive charges. Attention must be paid to reimbursements for travel so that adequate documentation is maintained and all employees are exercising fiscal care.

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## Recommendations

We recommend that the Under Secretary for Management, in coordination with DHS components:

**Recommendation #9:** Develop measures to ensure compliance with federal regulations regarding the reduction of meals and related incidental expense rate for government-provided meals, use of non-contract airline carriers, and reasonableness of travel costs.

**Recommendation #10:** Ensure that justifications for travel expenses are properly documented and records are retained to support decisions and transactions.

## Management Comments and OIG Analysis

**Management Response:** Management responded that it agreed with Recommendation 9. Guidance on federal regulations regarding the reduction of meals and related incidental expense rate for government-provided meals, use of non-contract airline carriers, and reasonableness of travel costs is currently provided in the DHS Travel Handbook.

Management will further develop and communicate guidance on how to comply with these regulations. Sampling of invoices from conferences in which meals were provided as well as sampling of non-contract carrier costs and of travel costs exceeding a review trigger level are among of several approaches being considered to test compliance with Federal regulations.

**OIG Analysis:** In response to Recommendations 9 and 10, Management provided one response to address these recommendations. We consider Management's proposed actions responsive to Recommendation 9, which is resolved and open. This recommendation will remain open pending our receipt of documentation describing the methodology and procedures used to ensure department and component compliance with the FTR and DHS conference policies.

**Management Response:** Management responded that it agreed with Recommendation 10. Management will further develop and communicate guidance on how to comply with these regulations. Sampling of invoices from conferences in which meals were provided as well as sampling of non-contract carrier costs and of travel costs exceeding a review trigger level are among of several approaches being considered to test compliance with federal regulations.



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**OIG Analysis:** We consider Management’s proposed actions responsive to Recommendation 10, which is resolved and open. This recommendation will remain open pending our receipt of a department-wide communication that provides specific guidance and stresses the importance of maintaining pertinent documentation. In addition, the communication should identify a saving threshold above which it is allowable for DHS employees to procure flights with non-contract air carriers, and the documentation necessary to demonstrate the non-contract price satisfies the savings threshold.

## **Departmental Coordination of Sponsored Conferences Would Facilitate Efficiencies**

One of the fundamental management goals for DHS leadership is to unify the diverse aspects of each component. This includes the standardization of managerial practices and systems to allow interconnectivity and cross-communication. This standardization is essential to join interrelated functions and eliminate duplicate activities and costs. However, there is a need to coordinate across DHS components to minimize duplication in facilitating conferences.

### **Leverage Technology and Resources to Share Information and Reduce Costs**

It is critical that components develop innovative methods to leverage skills, capabilities, experiences, and knowledge that reside throughout the department, and explore new ways to share information that are less costly than conferences that require travel. For example, rapidly expanding technologies such as video-linking, teleconferencing, and online interactive webinars could be effective alternatives to smaller conferences and could reduce costs.

Larger conferences could use similar technologies or be combined with other training and related events to reduce the planning and execution costs of sponsoring several different conferences with similar purposes. For example, NDMS holds a DHS and government-wide annual conference that creates cross-organization collaboration to provide many opportunities at a single event. It has become a central gathering point for numerous organizations that participate in the same industry, but in differing and complementary capacities. Such coordination and collaboration helps to use facilities and resources better, while fostering new avenues of communicating and mission efficiency.

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The department should undertake a review of annual conferences to determine whether other cost saving means for communicating information would be more appropriate. For example, the USCG District 17 Commanding Officers' Conference is held annually after USCG staff is rotated throughout the district offices. The conference provides an opportunity for the District Commander to meet with officers to review procedures and expectations. For the FY 2009 conference, the Commanding Officer conducted a needs assessment, determined that there had been no change in leadership since the last annual Commanding Officers' Conference, and canceled the one scheduled. Rather than holding the annual conference solely because it is sponsored every year, USCG leadership exercised fiscal prudence and decided to use other means to communicate with the staff, potentially saving more than \$113,000.<sup>37</sup>

### **Oversight and Coordination Measures Need Development**

A coordinated approach to planning conferences is critical to align departmental efforts and resources adequately. In some cases, components are disconnected from each other, with little or no interaction, which creates different resource prioritization and potential duplication of efforts across the department. Without knowledge of ongoing component conference activities, headquarters elements do not have the information they need to ensure that DHS' overall strategic goals are being achieved in the most efficient manner possible. Therefore, the department needs to develop measures that provide oversight and coordination of conference planning to ensure that all possible cost savings are explored, cooperative relationships are used to maximize benefits and departmental objectives, and organizational tools are incorporated into the process.

Oversight measures provide the department with an ability to allocate and monitor limited resources, and expand its efforts to review how components use program funds for conferences. A central coordinator or oversight capacity within Management can provide a broader perspective of conference planning activities occurring across the department. Specifically, best practices from previous events and lessons learned from external departments and agencies could be reviewed to assist and monitor the planning and costs of future DHS conferences.

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<sup>37</sup> The FY 2006 Commanding Officers' Conference cost \$113,401.

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## Recommendations

We recommend that the Under Secretary for Management, in coordination with DHS components:

**Recommendation #11:** Develop a plan to standardize managerial practices and systems to allow coordination, cross-communication, and interconnectivity in conference planning and spending activities.

**Recommendation #12:** Explore using more cost-effective means and technologies as alternatives to sponsoring conferences and related travel.

## Management Comments and OIG Analysis

**Management Response:** Management responded that it agreed with Recommendation 11. Management said that work is under way as a part of the efficiency initiative on travel and use of government facilities for DHS events, and efficiency will serve as a basis for building comprehensive DHS policy on conferences. DHS established a Conference and Event Planning Services working group to investigate potential methods of achieving savings in this area. This working group has surveyed components to gather requirements for events across the department, and is conducting market and industry research with internal government event planners. The working group is also developing a resource package with low or no cost alternatives for employees to use while planning conferences and events.

As part of the quarterly reporting for efficiency initiatives, Management said that components are identifying alternative cost-cutting measures, such as holding conferences locally, using non-DHS government-owned facilities, and sending fewer people to conferences. Live web-conferencing has been held to link participants at hundreds of locations across the country and, in another cost-cutting move, information was posted on the web and then local and web-based training was conducted instead of gathering personnel in a single commercial location.

In addition, Management said there are several noteworthy examples of progress toward implementing a more cost effective means of conducting conferences across the department. The department held an initial Industry Day conference to introduce the EAGLE II procurement using Microsoft Live Web-conferencing reaching over 600 participants across the country. The cost for this conference was only \$30.00 compared to over \$10,000 for similar events in rented

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space. U.S. Customs and Border Protection restructured its mission support training form and saved approximately \$640,000 in travel and administrative costs. Posting training material on the Customs website and by conducting local and web-based training instead of gathering mission support personnel in a single commercial location achieved the savings.

**OIG Analysis:** In response to Recommendations 11 and 12, Management provided one response to address these recommendations. We consider Management's proposed actions responsive to Recommendation 11, which is resolved and open. This recommendation will remain open pending our receipt of documentation describing the methodology and procedures used to facilitate communication and coordination among the department and all components to minimize conference hosting and attendance redundancies.

**Management Response:** Management responded that it agreed with Recommendation 12. In its response, Management cited a number of examples where progress toward implementing a more cost effective means of conducting conferences across the department was accomplished.

**OIG Analysis:** We consider Management's proposed actions responsive to Recommendation 12, which is resolved and closed. No further reporting on this recommendation is necessary.

## Conclusion

Optimizing processes and systems to facilitate integration and coordination of departmental operations is an objective identified in DHS' *Strategic Plan*.<sup>38</sup> Department-wide conference planning policies can result in significant benefits such as establishing joint strategies; reducing the effect of conflicting strategies; addressing needs through leveraging combined resources; defining component roles and responsibilities to reduce duplication; and defining and implementing compatible regulations, policies, and procedures.

The department's conference planning policies need to provide clear, consistent, and adequate guidance and instructions. Conference planning should be defined and monitored at the departmental level to ensure

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<sup>38</sup> *One Team, One Mission, Securing Our Homeland: U.S. Department of Homeland Security Strategic Plan, Fiscal Years 2008–2013.*

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consistency across components and the incorporation of due diligence and standards into conference planning and administration. DHS needs to be able to demonstrate its results in sponsoring and hosting conferences.

Current departmental guidance provides for widely varying policies and procedures among the components, which perpetuates confusion and inconsistency in policy interpretations. A central coordination point for policies, monitoring, and reporting of conference expenditures should be established to minimize these differences. This will provide consistency of policy and guidance application, term definition, cost consolidation and report reconciliation; sharing of common data among components; and program performance and contribution alignment to departmental strategic goals and objectives.

## Appendix A

### Purpose, Scope, and Methodology

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At the request of Representative Bennie G. Thompson, Chairman of the House Committee on Homeland Security, we reviewed DHS' conference spending practices. Specifically, we assessed:

- The total amount spent by DHS on producing or facilitating conferences, retreats, and other offsite activities for FYs 2005, 2006, and 2007, and obtained
- A full listing of each conference that received funding or staffing support from DHS during FY 2007.<sup>39</sup>

Our scope was limited to examining department-wide policies, oversight, and reporting of conference planning and spending practices, as well as evaluating conference-related activities in five DHS components. We examined conference spending data provided by OCFO for FYs 2005–07, computed the total expenditure, and arranged these costs by component in categories such as general support, programming, staff salaries, travel, and other associated costs.

We further analyzed the components' budgets, funds spent on conferences, the number and location of conferences, full-time equivalent staff allotments, and employee attendance at conferences for each component. From this analysis and comparison, we selected FEMA, S&T, USCG, ICE, and DEP OPS to examine in detail.

To emulate the methodology used in the *Department of Justice Conference Expenditures* report as requested by Chairman Thompson, we then selected the most expensive in-CONUS and non-CONUS conferences, according to DHS records, held or attended during FYs 2005–07 by each of our sample components, totaling ten conferences.<sup>40</sup> By selecting both in-CONUS and non-CONUS conferences, we were able to include a review of other areas of potential concern, such as the selection of conference locations. In addition, we included a recent FY 2009 conference attended by S&T staff in Hawaii. We reviewed these 11 conferences in detail, including general background information, justifications, and financial documentation, such as contracts or invoices, travel vouchers, and relevant cost comparisons.

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<sup>39</sup> Due to the size of the FY 2007 conference list, it is provided as a separate attachment to this report, Attachment 1.

<sup>40</sup> Department of Justice Office of Inspector General, Audit Report 07-42: *Department of Justice Conference Expenditures*, September 2007

## Appendix A

### Purpose, Scope, and Methodology

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We conducted DHS headquarters and component interviews and site visits in the Washington, DC, metropolitan area. In addition, we conducted teleconferences with DHS component field offices. We interviewed officials from OCFO, CAO, Privacy Office, and Office of the Procurement Officer. We also interviewed officials from the Office of International Affairs, FEMA, S&T, USCG, and ICE. Last, we reviewed relevant laws and regulations, department-wide and component-specific policies and procedures related to conference spending, and analyzed documents received through data requests.

Our fieldwork was performed between August 2008 and March 2009. This review was conducted under the authority of the *Inspector General Act of 1978*, as amended, and according to the *Quality Standards for Inspections*, issued by the President's Council on Integrity and Efficiency.

**Appendix B**  
**Management Comments to the Draft Report**

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U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

**OCT 30 2009**

MEMORANDUM FOR: Carlton I. Mann  
Assistant Inspector General for Inspections

FROM: Elaine C. Duke   
Under Secretary for Management

SUBJECT: Response to OIG Draft Report: "DHS Conference Spending Practices and Oversight"

Thank you for the opportunity to review and comment on the draft report entitled: "DHS Conference Spending Practices and Oversight." This report evaluated conference data and policies to determine the nature and extent of department-wide policies and oversight of conferences and related travel.

In general, I agree with the recommendations in the report to enhance the effectiveness and oversight of the department's overall conference related activities and spending practices. We have taken many steps since 2007 to improve our management functions, including launching a Department-wide efficiency review to trim costs, streamline operations, eliminate duplication, and better manage resources across the Department. This effort includes more than two dozen initiatives that will increase efficiency, leverage economies of scale, create a culture of responsibility and fiscal discipline, and save taxpayers millions of dollars. Elements of the efficiency program on travel and facilities use have already generated significant savings in conference activities. Additionally, work under way as a part of the efficiency initiatives will help in building comprehensive DHS policy on conferences. Attached is a more detailed response to the recommendations cited in the report.

If you have any questions regarding this response, please contact me at (202) 447-3400.

Enclosure



## Appendix B

### Management Comments to the Draft Report

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**Recommendation #1:** Assume oversight responsibility for department-wide conference planning activities.

**Recommendation #2:** Develop and adopt a common department-wide definition for what constitutes a conference. The definition should ensure that a distinction is made between a conference, retreat, seminar, symposium, workshop, training, and routine meetings.

**Recommendation #3:** Revise conference planning and attendance policies by leveraging and consolidating existing best practices and component legacy policies to develop and communicate a single, department-wide policy that provides clear and comprehensive guidance to all DHS component, and contractor staff.

**Response:** DHS leads a unified national effort to secure America – this requires a unified Department and an integrated approach across our varying operations. The Secretary continues to prioritize unifying the Department and creating a common culture: one enterprise, a shared vision, with integrated results-based operations. In March, Secretary Napolitano launched a Department-wide efficiency review to trim costs, streamline operations, eliminate duplication, and better manage resources across the Department. This effort includes more than twenty initiatives that will increase efficiency, leverage economies of scale, create a culture of responsibility and fiscal discipline, and save taxpayers millions of dollars. Elements of the efficiency program, the travel and use of government facilities initiatives, have already generated department-wide policies over the conference planning process.

There are various cross-functional aspects of conferences, such as planning, ethics, attendance, travel, record keeping, and other legal and management aspects, that have been covered by different authoritative sources at the Department. Management agrees to bring DHS stakeholders together, review best practices, and develop Department-wide clear, consistent, and authoritative guidance on the multiple aspects of conferences, along with a well rounded and comprehensive definition of a conferences.

Work is under way as a part of the efficiency initiatives on use of government facilities and travel will serve as a basis for building comprehensive DHS policy on conferences. DHS established a Conference and Event Planning Services working group to investigate potential methods of achieving savings in this area. This working group has surveyed Components to gather requirements for events across the Department and is conducting market and industry research with internal government event planners. The working group is also developing a resource package with low or no cost alternatives for employees to use while planning conferences and events.

## Appendix B

### Management Comments to the Draft Report

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**Recommendation #4:** Establish a department-wide methodology to uniformly and consistently capture and report on conference related planning and cost information.

**Recommendation #5:** Develop a plan to approve, track, report and conduct periodic reviews of department-wide conference related costs and attendance to increase accountability and transparency of DHS conference activities.

**Recommendation #6:** Conduct a cost-benefit analysis to determine the value of implementing a department-wide conference management information system to facilitate tracking, monitoring, and reporting costs, attendance, and mission achievement.

**Response:** Management agrees that consistently reported conference information and periodic reviews of conference activities are important factors in establishing proper controls for accountability and transparency of DHS conference activities. DHS directives on travel and use of government facilities include specific guidance on the various aspects of conference planning, travel, performing a cost benefit analysis, and ensuring adequate controls and approval processes are in place. As part of establishing comprehensive guidance on conference activities, which will cover definitions, planning, ethics, travel, record keeping, and other legal and management aspects, DHS will also implement an oversight function to provide assurance that conference guidance is successfully and consistently implemented in DHS components.

Additionally, long-term DHS-wide financial systems consolidation efforts could be leveraged to support accurate tracking of conference related costs. Including conference data elements as part of financial and acquisition systems will provide a centralized data reporting mechanism and preclude the need for a separate conference management information system.

**Recommendation #7:** Develop a department-wide record-keeping standard for conference related documents and records to ensure adequate documentation is maintained to justify and support all decisions and transactions.

**Recommendation #8:** Designate a central point within each DHS component responsible for maintaining component specific documentation related to conference expenditures.

**Response:** Management agrees comprehensive conference guidance should include direction on how to properly document and justify the decision for conducting a conference, including a cost benefit analysis and elements of cost that must be considered and documented in the decision process. Guidance on record-keeping standards should also be included and will be consistent with existing DHS Directives and guidance on record keeping requirements. Currently, DHS requires each component designate a senior accountable official to ensure component conference and travel related activities are mission critical and are conducted as efficiently and effectively as possible, but further comprehensive guidance would enhance implementation.

## Appendix B

### Management Comments to the Draft Report

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**Recommendation #9:** Develop measures to ensure compliance with federal regulations regarding the reduction of meals and related incidental expense rate for government-provided meals, use of non-contract airline carriers, and reasonableness of travel costs.

**Recommendation # 10:** Ensure that justifications for travel expenses are properly documented and records are retained to support decisions and transactions.

**Response:** Guidance on federal regulations regarding the reduction of meals and related incidental expense rate for government-provided meals, use of non-contract airline carriers, and reasonableness of travel costs is currently provided in the DHS Travel Handbook. Management will further develop and communicate guidance on how to comply with these regulations. Sampling of invoices from conferences in which meals were provided as well as sampling of non-contract carrier costs and of travel costs exceeding a review trigger level are among of several approaches being considered to test compliance with Federal regulations.

**Recommendation #11:** Develop a plan to standardize managerial practices and systems to allow coordination, cross-communication, and interconnectivity in conference planning and spending activities.

**Recommendation #12:** Explore using more cost-effective means and technologies as alternatives to sponsoring conference related travel.

**Response:**

Work is under way as a part of the efficiency initiative on travel and use of government facilities for DHS events efficiency will serve as a basis for building comprehensive DHS policy on conferences. DHS established a Conference and Event Planning Services working group to investigate potential methods of achieving savings in this area. This working group has surveyed Components to gather requirements for events across the Department and is conducting market and industry research with internal government event planners. The working group is also developing a resource package with low or no cost alternatives for employees to use while planning conferences and events.

As part of the quarterly reporting for efficiency initiatives, Components are identifying alternative cost-cutting measures, such as holding conferences local to where most of the attendees are based, using non-DHS government-owned facilities, and sending fewer people to conferences. Live web-conferencing has been held to link participants at hundreds of locations across the country and, in another cost-cutting move, information was posted on the web and then local and web-based training was conducted instead of gathering personnel in a single commercial location.

Several noteworthy examples of progress toward implementing a more cost effective means of conducting conferences have been identified across the Department. The Department held an initial Industry Day conference to introduce the EAGLE II procurement using Microsoft Live Web-conferencing reaching over 600 participants

**Appendix B**  
**Management Comments to the Draft Report**

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across the country. The cost for this conference was only \$30.00 compared to over \$10,000 for similar events in rented space. Customs and Border Protection restructured its mission support training form and saved approximately \$640,000 in travel and administrative costs. Savings were achieved by posting training material on the CBP website and by conducting local and web-based training instead of gathering mission support personnel in a single commercial location.

Appendix C  
Congressman Thompson's Request Letter

BENNIE G. THOMPSON, MISSISSIPPI  
CHAIRMAN

PETER T. KING, NEW YORK  
RANKING MEMBER



One Hundred Tenth Congress  
U.S. House of Representatives  
Committee on Homeland Security  
Washington, DC 20515

September 20, 2007

The Honorable Richard L. Skinner  
Inspector General  
Department of Homeland Security  
Washington, DC 20528

Dear Inspector General Skinner:

It has come to my attention that a recent audit by the Office of the Inspector General of the Department of Justice (DOJ) revealed troubling spending patterns by DOJ officials and employees on food, travel, resources and other items purchased to conduct or facilitate various conferences, retreats and other off-site activities.<sup>1</sup>

I am writing to request that your office conduct a similar examination of the spending for conferences, retreats and similar off-site activities conducted by the Department of Homeland Security.

Because of the important mission of the Department and the need to prudently spend Federal taxpayer funds, neither waste nor extravagance by the Department in performance of its critical role should be accepted or condoned.

While I understand your office's expertise in conducting such examinations, I should note that I am particularly interested in receiving information about the following:

- (1) The total amount spent by the Department, on producing or facilitating the production of conferences, retreats and other offsite activities. This amount should be arranged by component agency or purchasing authority. Additionally, the amounts reported should include general support, programming, staff salaries, travel and other associated costs— in each of the previous three fiscal years.
- (2) A full listing of each conference that received funding or staffing support from the department and its agencies and offices during the most recent fiscal year. Please include the location of the event and, the number of DHS employees in attendance. Also, if the Department was not the sole sponsor of the event, please include the names of each co-sponsor.

Thank you for your prompt attention to this matter. If you have any questions, please contact Cherri Branson, Chief Oversight Counsel, at (202) 226-2616.

Sincerely,

Bennie G. Thompson  
Chairman

<sup>1</sup> Department of Justice Conference Expenditures – Audit Report 07-42, U.S. Department of Justice Office of the Inspector General – Audit Division, September 2007.

**Appendix D**  
**Descriptions of Eleven Sample Conferences Reviewed**

National Disaster Medical System (NDMS) Conference	
<b>Component:</b> FEMA	<p><b>About the Conference:</b></p> <p>The federally coordinated National Disaster Medical System was designed to enhance the Nation’s capability to respond to medical emergencies. It supports the medical response of state and local authorities to medical peacetime emergencies, and helps coordinate the care of wounded military evacuated from overseas armed conflicts. The goal of this annual conference was to increase the exchange of ideas among key stakeholders in this aspect of emergency management, as well as give participants opportunities to network with experts. The theme of the 2006 conference was <i>Catastrophic Care for the Nation</i>. Experts from local, state, and federal agencies, as well as academic institutions, presented on advances in clinical medicine, health system, response teams, veterinary issues, and mortuary issues.</p>
<b>DHS-Sponsored:</b> Yes	
<b>Venue/Location:</b> Hilton Resort and Casino. Reno, Nevada	
<b>Date:</b> April 21–27, 2006	
<b>Cost:</b> \$3,347,952 <sup>41</sup>	

Detention Management Control Program Training	
<b>Component:</b> ICE	<p><b>About the Conference:</b></p> <p>ICE uses facilities all over the United States to detain and apprehend illegal, fugitive, and criminal aliens. These include eight secure ICE-operated facilities, seven contracted facilities, and several local and state jails and federal prisons. National Detention Standards Training ensures that staff at all these detention facilities can perform their duties in line with standards for the treatment of detainees. Training is based on responsibilities and exposure to detainees and is required annually (including volunteers and contractors). This training is held at multiple times during the fiscal year.</p>
<b>DHS-Sponsored:</b> Yes	
<b>Venue/Location:</b> ICE training facility. Batavia, New York	
<b>Date:</b> January, March, and June 2006	
<b>Cost:</b> \$146,647	

<sup>41</sup> All costs shown are those reported by the components for our review, unless otherwise noted.

**Appendix D**  
**Descriptions of Eleven Sample Conferences Reviewed**

West Coast AToN Conference	
<b>Component:</b> USCG	<p><b>About the Conference:</b></p> <p>The Aid to Navigation (AToN) system is a collection of markers and signals that allow boaters to navigate U.S. waters safely. The USCG is responsible for the positioning and upkeep of these aids. The West Coast AToN Conference is an annual forum where AToN personnel from the 11th and 13th USCG Districts receive mandated training and updates on Major Command changes that affect the AToN program, ships, and teams. It also provided an opportunity for sharing best practices. Training received at the 2006 conference ranged from aids positioning, CPR, and food service to chainsaw training and waterway procedure policy updates. In addition, this conference featured a competition comprising events that also serve as training, including damage control events such as a firefighting obstacle race.</p>
<b>DHS-Sponsored:</b> Yes	
<b>Venue/Location:</b> Naval Station Everett, WA	
<b>Date:</b> May 15–19, 2006	
<b>Cost:</b> \$22,934	

2005 National BioWatch Workshop	
<b>Component:</b> S&T	<p><b>About the Conference:</b></p> <p>BioWatch is an early detection system designed to thwart a biological attack on the United States. The system is composed of sensors and collection devices and depends on coordination of state and local health testing laboratories, all levels of government, and the public health community. The system is overseen by DHS. The workshop provided an opportunity for key BioWatch leaders and stakeholders to discuss accomplishments, lessons learned, and future goals for the program. The 2005 workshop included breakout sessions in field sampling and collection, laboratory analysis, medical and epidemiologic response, public relations and risk communications, and information technology.</p>
<b>DHS-Sponsored:</b> Yes	
<b>Venue/Location:</b> Hyatt Regency Capitol Hill, Washington, DC	
<b>Date:</b> August 16–18, 2005	
<b>Cost:</b> \$503,000 <sup>42</sup>	

<sup>42</sup> Cost provided to OCFO by S&T

**Appendix D**  
**Descriptions of Eleven Sample Conferences Reviewed**

FY 2007 CAO Forum	
<b>Component:</b> DEP OPS	<p><b>About the Conference:</b></p> <p>This annual conference was targeted toward the administrative professionals within DHS as well as invited guests. The conference included presentations on DHS Administrative Services’ plans, policies, evolving systems, regulations, and compliance and the DHS Senior Leadership vision for Organizational Excellence. In addition, there were sessions on how to brainstorm solutions to administrative challenges. At the 2007 conference, attendees were able to express interest and participate in breakout sessions in the following fields: real property, personal property, mobile assets, mail management, environmental management, environmental planning and historic preservation, employee safety and health, energy and fuels management, and records and library management services.</p>
<b>DHS-Sponsored:</b> Yes	
<b>Venue/Location:</b> Mandarin Oriental Hotel. Washington, DC	
<b>Date:</b> January 9–11, 2007	
<b>Cost:</b> \$300,000	

**Non-CONUS Conferences Reviewed**

Regional Interagency Steering Committee (RISC) Meeting	
<b>Component:</b> FEMA	<p><b>About the Conference:</b></p> <p>Regional Interagency Steering Committees (RISC) are groups of stakeholders responsible for emergency preparedness and response in a region. There is a RISC for each of the ten FEMA regions and each RISC meets at least quarterly. This meeting was held by FEMA Region IX. It took place at the same time as the State of Hawaii’s Makani Pahili Exercise to inform and review the content of and to test the assumptions made in the federal section of the draft Hurricane Concept of Operations Plan for the State of Hawaii. Key discussion points included logistics and timely resource access and distribution throughout the state in cases of emergency.</p>
<b>DHS-Sponsored:</b> Yes	
<b>Location:</b> Waikiki Beach Marriott. Honolulu, HI	
<b>Dates:</b> May 22–23, 2007	
<b>Cost:</b> \$176,094	



**Appendix D**  
**Descriptions of Eleven Sample Conferences Reviewed**

Asia Regional Attaché Conference	
<b>Component:</b> ICE	<p><b>About the Conference:</b></p> <p>ICE stations attachés all over the world. Their role is to facilitate and conduct overseas investigations with other ICE offices, DHS components, federal agencies, and foreign counterparts. This meeting brought together the ICE attachés in the Asia region. The conference included an observation of the Woodlands Land Border Crossing, overviews of the ICE Office of International Affairs mission, Visa Security Unit training, Detention and Removal training, database training, and overviews of Forced Child Labor and Textile Transshipment. The attendees also interacted with local law enforcement, the Department of State, and the other component attachés in Singapore. Attachés presented and discussed challenges, issues, and lessons learned from significant cases and investigations.</p>
<b>DHS-Sponsored:</b> Yes	
<b>Location:</b> The Regent. Singapore	
<b>Date:</b> January 22–26, 2007	
<b>Cost:</b> \$113,184	

D17 Commanding Officers' Conference	
<b>Component:</b> USCG	<p><b>About the Conference:</b></p> <p>This conference was held by the Alaska-based District 17. This annual conference is traditionally held in November, at which time USCG staff has been rotated throughout the district offices and new staff has been placed within district offices. At this conference, the District Commander meets with all of the Commanding Officers in the district, and reviews his or her vision and expectations. This opportunity to review critical procedures ensures that Commanding Officers are compliant with D17 mission goals.</p>
<b>DHS-Sponsored:</b> Yes	
<b>Venue/Location:</b> Westmark Baranof Hotel. Juneau, AK	
<b>Date:</b> November 29–December 1, 2005	
<b>Cost:</b> \$113,401	

**Appendix D**  
**Descriptions of Eleven Sample Conferences Reviewed**

International Underwater Tunnel Protection Workshop	
<b>Component:</b> S&T	<p><b>About the Conference:</b></p> <p>The main conference themes were assessment of existing infrastructure, mitigation measures and solutions, and emergency planning response and recovery. The main objective of the conference was to expose the participants to recent developments in underwater tunnel security, and comparing and contrasting U.S., U.K., and European practice. In addition, attendees were able to discuss the potential for future partnerships, research, and information exchange. More than 50 participants were invited to this international conference, bringing together various stakeholders including government agencies, industry, infrastructure owners, and academic and professional institutions.</p>
<b>DHS-Sponsored:</b> Co-sponsored with United Kingdom Home Office	
<b>Venue/Location:</b> Institution of Civil Engineers. London, England	
<b>Date:</b> June 11–13, 2007	
<b>Cost:</b> \$100,000	

2008 Asia-Pacific Homeland Security Summit and Exposition	
<b>Component:</b> S&T	<p><b>About the Conference:</b></p> <p>The theme of the conference was <i>Scientific Research for Homeland Security: Fostering International Partnerships</i>. The State of Hawaii hosted the Summit and it included presentations by S&amp;T staff. The participants were from the public and private sectors who had homeland security responsibilities or who provided related products and services. Over the three days, a number of panels were held on various topics, including persistent surveillance – surface, underwater, and air; science and technology solutions to homeland security challenges; avian influenza; all-hazards awareness in Oceania; energy security and resiliency; food defense vulnerabilities, and intervention strategies.</p>
<b>DHS-Sponsored:</b> No	
<b>Venue/Location:</b> Sheraton Waikiki Hotel. Honolulu, HI	
<b>Date:</b> October 8–10, 2008	
<b>Cost:</b> \$93,036	

**Appendix D**  
**Descriptions of Eleven Sample Conferences Reviewed**

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29th International Data Protection and Privacy Commissioner’s Conference	
<b>Component:</b> DEP OPS (Privacy)	<b>About the Conference:</b>  The conference was organized around several privacy issues: public safety, globalization, law meets technology, ubiquitous computing, the next generation, Internet crime, and the body as data. In addition, institutional responses to these issues were discussed, including multi-sector and inter-jurisdictional collaboration, privacy seals, de-identification, audits, and privacy impact assessments. Some of the broader conference themes included “the meaning of privacy, the privacy vs. security dichotomy, and deficiencies in existing legal approaches.” <sup>43</sup>
<b>DHS-Sponsored:</b> No	
<b>Venue/Location:</b> Le Centre Sheraton Hotel. Montreal, Canada	
<b>Date:</b> September 25–28, 2007	
<b>Cost:</b> \$16,354	

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<sup>43</sup> A Report on “Terra Incognita:” The 29th International Conference of Data Protection and Privacy Commissioners; accessed March 10, 2009.

**Appendix E**  
**Total Amount Spent, by Component and by Fiscal Year**

**Conference Costs by Component, 2005. Total Reported Expenditure: \$9.12 million**

Component	Number of Conferences	General Support	Programming	Salaries	Travel	Other Costs	Total**
Customs and Border Protection*	Unknown	\$ 80,000	\$ 242,985	\$ 699,741	\$ 875,617	\$ 116,270	\$ 1,771,628
DEP OPS***	126	\$ 157,433	\$ 29,388	\$ 242,795	\$ 108,735	\$ 32,521	\$ 541,484
Emergency Preparedness and Response (FEMA)	297	\$ 55,958	\$ 630,653	\$ 957,225	\$ 1,149,688	\$ 69,062	\$ 2,231,933
Federal Law Enforcement Training Center	19	\$ 3,000	None reported	\$ 128,431	\$ 98,400	None reported	\$ 229,831
Information Analysis and Infrastructure Protection	63	\$ 31,920	\$ 387,079	\$ 144,058	\$ 91,466	\$ 12,053	\$ 279,497
ICE	60	\$ 40,263	\$ 2,160	\$ 279,261	\$ 322,638	\$ 655,519	\$ 1,297,681
S&T	56	\$ 178,445	\$ 845,112	\$ 80,089	\$ 518,170	\$ 527,001	\$ 1,303,705
State & Local Government Coordination & Preparedness	75	\$ 326,620	\$ 1,174,554	\$ 31,345	\$ 24,890	\$ 19,957	\$ 402,812
Transportation Security Administration*	Unknown	\$ 259,977	None reported	None reported	None reported	None reported	\$ 259,977
US VISIT	1	\$ 10,526	None reported	\$ 15,555	\$ 12,000	None reported	\$ 38,081
Citizen and Immigration Services	5	\$ 20,913	\$ 52,403	\$ 629,088	\$ 359,488	\$ 11,712	\$ 1,021,200
<b>Totals</b>	<b>702</b>	<b>\$ 1,165,054</b>	<b>\$ 3,364,334</b>	<b>\$ 3,207,588</b>	<b>\$ 3,561,092</b>	<b>\$ 1,444,095</b>	<b>\$ 9,377,829</b>

Prepared by ISP using data received from the DHS Office of the Chief Financial Officer, 8/20/2008

\*TSA and CBP did not report number of conferences to the DHS-CFO for FY 2005

\*\*Totals do not include Programming Costs, which are pre-conference cost estimates

\*\*\*Departmental Operations (DEP OPS) includes the Offices of the Secretary & Executive Management, the Undersecretary for Management, the Chief Financial Officer, and the Chief Information Officer.

**Appendix E**  
**Total Amount Spent, by Component and by Fiscal Year**

**Conference Costs by Component, 2006. Total Reported Expenditure: \$50.4 million**

Component	Number of Conferences	General Support	Programming	Salaries	Travel	Other Costs	Total**
Analysis and Operations	7	None reported	None reported	\$ 8,035	\$ 6,035	\$ 4,985	\$ 19,055
Customs and Border Protection	56	\$ 646,236	\$ 3,504,746	\$ 2,412,988	\$ 2,144,317	\$ 118,076	\$ 5,321,618
DEP OPS***	115	\$ 579,614	\$ 20,395	\$ 246,050	\$ 108,855	\$ 21,440	\$ 955,959
Domestic Nuclear Detection Office	25	\$ 96,023	\$ 42,770	\$ 18,235	\$ 100,948	\$ 4,347	\$ 219,553
FEMA	376	\$ 2,385,762	\$ 469,405	\$ 5,413,347	\$ 4,856,046	\$ 106,256	\$ 12,761,411
Federal Law Enforcement Training Center	20	\$ 7,200	None reported	\$ 55,607	\$ 51,169	\$ 1,011	\$ 114,987
ICE	584	\$ 58,507	\$ 348,223	\$ 5,880,146	\$ 3,577,721	\$ 557,536	\$ 10,073,910
Office of the Inspector General	1	None reported	None reported	\$ 7,495	\$ 2,628	\$ 1,050	\$ 11,173
Preparedness Directorate	187	\$ 2,840,670	\$ 2,134,626	\$ 352,466	\$ 199,383	\$ 28,696	\$ 3,421,214
S&T	66	\$ 116,549	\$ 12,765	\$ 152,823	\$ 114,524	\$ 39,770	\$ 423,666
Transportation Security Administration	115	None reported	None reported	\$ 1,206,596	\$ 736,131	\$ 258,217	\$ 2,200,944
US VISIT	24	None reported	None reported	\$ 25,281	\$ 13,490	\$ 15,192	\$ 53,963
U.S. Coast Guard	1300	\$ 530,376	\$ 586,384	\$ 6,074,743	\$ 6,023,457	\$ 1,749,840	\$ 14,378,417
Citizen and Immigration Services	6	None reported	\$ 439,600	\$ 208,705	\$ 187,075	\$ 43,434	\$ 439,214
Unknown/Other*	142	None reported	\$ 3,000	\$ 5,491	\$ 8,357	\$ 1,095	\$ 14,943
<b>Totals</b>	<b>3024</b>	<b>\$ 7,260,937</b>	<b>\$ 7,561,914</b>	<b>\$ 22,068,008</b>	<b>\$ 18,130,137</b>	<b>\$ 2,950,946</b>	<b>\$ 50,410,028</b>

Prepared by ISP using data received from the DHS Office of the Chief Financial Officer, 8/20/2008

\*Includes \$9,416,536 of reported expenditures with no component designation, and one DoD conference for \$5,527.

\*\*Totals do not include Programming Costs, which are pre-conference cost estimates

\*\*\*Departmental Operations (DEP OPS) includes the Offices of the Secretary & Executive Management, the Undersecretary for Management, the Chief Financial Officer, and the Chief Information Officer.

**Appendix E**  
**Total Amount Spent, by Component and by Fiscal Year**

**Conference Costs by Component, 2007. Total Expenditure: \$51.13 million**

Component	Number of Conferences	General Support	Programming	Salaries	Travel	Other Costs	Total*
Analysis and Operations	29	None reported	\$ 6,500	\$ 8,777	\$ 7,591	\$ 840	\$ 17,208
Customs and Border Protection	242	\$ 325,481	\$ 1,488,661	\$ 2,842,630	\$ 3,606,850	\$ 477,009	\$ 7,251,970
DEP OPS**	200	\$ 89,670	\$ 155,670	\$ 569,608	\$ 336,139	\$ 78,110	\$ 1,073,528
Domestic Nuclear Detection Office	68	\$ 100,934	None reported	\$ 126,034	\$ 104,259	\$ 4,495	\$ 335,722
FEMA	736	\$ 80,368	\$ 442,390	\$ 2,220,054	\$ 2,478,303	\$ 266,272	\$ 5,044,997
Federal Law Enforcement Training Center	93	\$ 71,422	None reported	\$ 264,940	\$ 261,169	\$ 53,955	\$ 651,486
Intelligence and Analysis	88	\$ 8,502	None reported	\$ 222,606	\$ 173,505	\$ 3,825	\$ 408,438
ICE	680	\$ 77,530	\$ 1,332,230	\$ 4,413,732	\$ 4,645,624	\$ 348,126	\$ 9,485,013
National Protection & Programs Directorate	83	\$ 68,406	\$ 1,145,490	\$ 331,602	\$ 164,408	\$ 90,945	\$ 655,361
Office of Health Affairs	19	\$ 1,722,561	\$ 13,525	\$ 89,897	\$ 28,020	\$ 4,337	\$ 1,844,815
Office of the Inspector General	2	\$ 675	None reported	\$ 6,620	\$ 666	None reported	\$ 7,961
S&T	173	\$ 175,557	\$ 14,642	\$ 533,181	\$ 479,683	\$ 339,908	\$ 1,528,328
Transportation Security Administration	292	\$ 75,694	\$ 386,141	\$ 1,619,932	\$ 1,480,897	\$ 95,072	\$ 3,271,595
U.S. Coast Guard	1711	\$ 217,699	\$ 2,422,953	\$ 9,836,311	\$ 5,662,432	\$ 494,999	\$ 16,211,442
Citizen and Immigration Services	57	\$ 25,321	\$ 593,103	\$ 1,239,359	\$ 1,114,425	\$ 98,995	\$ 2,478,100
U.S. Secret Service	160	None reported	\$ 14,342	\$ 575,561	\$ 142,060	\$ 145,102	\$ 862,723
<b>Totals</b>	<b>4633</b>	<b>\$ 3,039,822</b>	<b>\$ 8,015,647</b>	<b>\$ 24,900,845</b>	<b>\$ 20,686,031</b>	<b>\$ 2,501,990</b>	<b>\$ 51,128,688</b>

Prepared by ISP using data received from the DHS Office of the Chief Financial Officer, 8/20/2008 and 8/25/2008

\*Totals do not include Programming Costs, which are pre-conference cost estimates

\*\*Departmental Operations (DEP OPS) includes the Offices of the Secretary & Executive Management, the Undersecretary for Management, the Chief Financial Officer, and the Chief Information Officer.

## **Appendix F**

### **FY 2007 Conferences**

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Due to its size, the FY 2007 conference list is provided in a separate attachment to this report. Attachment 1: *FY 2007 Conferences as Reported by DHS Components* lists the conferences either held or attended by DHS and its components in FY 2007.

The conferences are presented in three sections. The first section lists the conferences whose information appears complete and non-conflicting. The second section lists conferences with complete information, but whose sponsorship details appear to be conflicting. The third section lists all conferences submitted with incomplete information.

As DHS does not have a uniform reporting system to capture conference information, DHS' OCFO compiled this conference information, of varying completeness and consistency, from components for FY 2007. OCFO has verified the information for many of these conferences. However, other submissions remain unverified; these are marked with an asterisk (\*).

**Appendix G**  
**Major Contributors to this Report**

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Marcia Moxey Hodges, Chief Inspector, Department of Homeland Security, Office of Inspector General, Office of Inspections

Nikole Smith, Senior Inspector Department of Homeland Security, Office of Inspector General, Office of Inspections

Katherine Roberts, Inspector, Department of Homeland Security, Office of Inspector General, Office of Inspections

Kimberley Lake, Inspector, Department of Homeland Security, Office of Inspector General, Office of Inspections



**Department of Homeland Security**

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Director, GAO/OIG Liaison Office  
Directorate for Management Audit Liaison  
DEP OPS Audit Liaison  
USCG Audit Liaison  
FEMA Audit Liaison  
ICE Audit Liaison  
S&T Audit Liaison

**Office of Management and Budget**

Chief, Homeland Security Branch  
DHS OIG Budget Examiner

**Congress**

Congressional Oversight and Appropriations Committees, as appropriate



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Attention: Office of Investigations - Hotline,  
245 Murray Drive, SW, Building 410,  
Washington, DC 20528.

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