



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D. C. 20503

THE DIRECTOR

September 21, 2011

M-11-35

MEMORANDUM TO THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Jacob J. Lew
Director

A handwritten signature in black ink, appearing to be "Jacob J. Lew", written over a horizontal line.

SUBJECT: Eliminating Excess Conference Spending and Promoting Efficiency in
Government

From the start of this Administration, it has been a priority of the President to make sure that the Government operates with the utmost efficiency and eliminates unnecessary or wasteful spending. Now more than ever, as families across the country are tightening their belts, we cannot afford duplicative programs, out-dated and inefficient processes, or wasteful spending decisions. As responsible stewards of taxpayer dollars, we must seize every opportunity to improve Government performance and management so that we save money and deliver a higher quality of service to the American people.

To that end, the Administration has taken a series of steps since taking office. These range from cracking down on improper payments, to ending or reforming costly information technology projects, to reducing the number of no-bid contracts, to eliminating scores of unnecessary programs. Recently, the Administration launched the Campaign to Cut Waste, an intensified effort to identify areas across the Government where waste or excess may exist, and to take immediate steps to address them. We also are working with agencies to develop and share new efficiencies and reforms that will drive down costs and improve the way Government operates.

That is what we did under the Recovery Act, where the Vice President and OMB worked hand-in-hand with the heads of executive departments and agencies to make sure that programs were implemented quickly, efficiently, and, most importantly, responsibly. And that is what we must be committed to doing across the Government. As the President stated in his June 13, 2011, Executive Order on "Delivering an Efficient, Effective and Accountable Government" which launched the Campaign to Cut Waste, "The American people must be able to trust that their Government is doing everything in its power to stop wasteful practices and earn a high return on every tax dollar that is spent."

Last week, the Vice President convened the heads of executive departments and agencies to discuss the Campaign to Cut Waste. At that meeting, the Vice President asked department and agency heads to undertake a thorough review of wasteful and inefficient spending and report back on measures that we can – and should – halt, as well as new practices that can improve Government performance and management. In particular, the Vice President asked agency heads to focus on ways to get better prices for the goods and services that we buy, eliminate duplicative or

unnecessary publications, streamline the Government's automotive fleet, and curb unnecessary travel and related expenses.

Yesterday, the Office of Inspector General at the Department of Justice issued a report that underscores the importance of acting on this charge immediately and forcefully. The report noted that excessive funds have been spent on a variety of purchases at 10 different law enforcement conferences.

It is important to note that many of the instances described in the report date back to 2004. And beginning in 2009, the Department of Justice under Attorney General Holder's leadership, took proactive steps to implement tighter internal controls to reduce just these sorts of activities. Yet, the IG report provides a reminder of how important it is that agencies undertake all due diligence to protect taxpayer resources from unnecessary expenditures. Indeed, through the President's SAVE Award, many Federal employees have questioned the utility and frequency of conferences and other meetings especially in light of advances in video conferencing technology. Therefore, the President has directed me to instruct all agencies and departments to conduct a thorough review of the policies and controls associated with conference-related activities and expenses. Until such time as the Deputy Secretary (or equivalent) can certify that the appropriate policies and controls are in place to mitigate the risk of inappropriate spending practices with regard to conferences, approval of conference-related activities and expenses shall be cleared through the Deputy Secretary (or equivalent).

As directed in the President's Executive Order, the Vice President will reconvene the heads of departments and agencies in December to discuss further progress under the Campaign to Cut Waste. In advance of this meeting, agencies must report to OMB on the results of their review of conference-related activities and expenses. These results will be compiled for the Vice President to review and will be a subject of discussion at the meeting. Further, each department and agency shall also be prepared to discuss with the Vice President progress on the other aforementioned priority areas for reducing waste and promoting greater efficiency.

The Campaign to Cut Waste is a necessary and essential effort to secure the confidence of the American people that their taxpayer dollars are being used wisely. Information requested under this memorandum shall be provided by agencies to Danny Werfel, OMB Controller, by November 1, 2011. Please contact Debra Bond (dbond@omb.eop.gov), OMB Deputy Controller, if you have any questions about or need any assistance with this guidance.