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FURTHERING THE MISSION OR HAVING FUN: LAX TRAVEL POLICIES COST DHS MILLIONS

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BEFORE THE

SUBCOMMITTEE ON MANAGEMENT, INVESTIGATIONS, AND OVERSIGHT

OF THE

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FURTHERING THE MISSION OR HAVING FUN: LAX TRAVEL POLICIES COST DHS MILLIONS

Thursday, February 4, 2010

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON MANAGEMENT, INVESTIGATIONS, AND OVERSIGHT,
Washington, DC.

The subcommittee met, pursuant to call, at 10:05 a.m., in Room 311, Cannon House Office Building, Hon. Christopher P. Carney [Chairman of the subcommittee] presiding.

Present: Representatives Carney, Thompson, Pascrell, Green, and Bilirakis.

Mr. CARNEY [presiding]. The Subcommittee on Management, Investigations, and Oversight will come to order. The subcommittee is meeting today to receive testimony on "Furthering the Mission or Having Fun: Lax Travel Policies Cost DHS Millions."

I would like to thank everyone for joining us today, certainly Ms. Duke and Mr. Mann.

Today, we will examine the DHS Office of Inspector General's audit of the amount of taxpayers' dollars the Department of Homeland Security spent on conferences, retreats, and other off-site activities.

In addition, we will examine the lack of internal controls, governing policies, oversight, and reporting of conference planning and spending practices which prevent the Department from being transparent and accountable to both Congress and, more importantly, the general public.

During fiscal years 2005 to 2007, the Department reportedly spent $110 million on conference-related activities, approximately $60 million of which was in direct costs, an additional $50 million identified as salary expenses for employees attending the conference.

I will be extremely interested in hearing today whether conference spending and attendance at these events were a prudent use of taxpayers' dollars, but I would also like to stress that I, as well as all Members of this subcommittee, understand the importance of Government travel, including the jobs that are supported by this travel.

As a representative from Pennsylvania myself, I know how important travel and tourism are to our economy, but we need to ensure that the Department can accurately account for its travel spending.

According to the inspector general report entitled "DHS Conference Spending Practices and Oversight," DHS officials were unable to produce precise, consistent numbers on conference spending. Information relating to conference spending was not documented in a way that allows for easy examination.

As a result, most responses received from the DHS components contained missing data and had discrepancies. Most alarmingly, the IG reports that DHS official said, "There is no reason to track conference expenditures because there are no spending restrictions."

The IG also found that, "Components are planning and sponsoring conferences without any consistent approval or tracking process. When combined with inconsistent conference cost and attendance numbers, DHS needs to develop better management controls to ensure that conferences are funded and attended for only mission-critical purposes and that costs are minimized to the greatest extent possible."

The Department needs clear and consistent conference planning and guidance. The Department must define terms such as conference, retreats, training, and outside activities in a uniform matter so that all of its organizational elements are on the same page.

Limited Department-wide procedures do exist for determining or minimizing the number of employees attending conferences or for standards justifying attendance, but the only test that appears to be in place for determining the necessity of travel is whether funding is available. This must be fixed.

According to the Secretary of Homeland Security, the Department has one mission: To secure the Nation from the many threats we face. Fulfilling this mission requires the Department to participate in many off-site activities throughout the country and, indeed, the world.

Notwithstanding this fact, the Department must exercise oversight, accountability, and transparency regarding the amount of taxpayer money it spends on conference-related activities.

I do want to thank the witnesses for their participation. I certainly look forward to their testimony.

The Ranking Member is not here at the current time. He gave us the go-ahead to start. The Chair now recognizes the Chairman of the full committee, the gentleman from Mississippi, Mr. Thompson, for an opening statement.

Mr. THOMPSON. Thank you very much, Mr. Chairman. It is nice to see the witnesses, Ms. Duke, Mr. Mann.

As both of you know, we requested the inspector general to look at the practices of the Department of Homeland Security as it relates to conferences, retreats, and similar off-site activities.

When the request was made, I was concerned about spending patterns that had been revealed at other Government agencies and wanted to see how the Department compared.

Last month, the Office of Inspector General released the results of its audit in the form of a report entitled "DHS Conference Spending Practices and Oversight." The report revealed an extremely troubling picture of not only the amount of money spent, but also a lack of internal controls, minimal oversight, and insufficient reporting throughout the entire Department.

According to the report, from fiscal year 2005 through fiscal year 2007, the Department spent approximately $100 million on conference-related activities. This money was spent on sending employees across the Nation and around the world in 43,989 instances.

For example, the Department spent almost $30,000 to send 150 CBP employees to a conference in St. Simons, Georgia. CBP also spent over $470,000 on a 3-day event in Dallas, Texas, attended by over 300 CBP employees. Further, 320 TSA employees attended a conference in Texas at the cost of $643,000.

These are just a sampling of the 8,359 conferences attended by Department employees during the relevant time frame.

Let me be clear: By no means am I purporting that Department personnel should not attend conferences or outside training that are reasonable and support the homeland security mission.

However, during the IG investigation, it was determined that, in the vast majority of these instances, the Department had not performed cost comparisons to ensure that it was getting the best price available, properly tracked its spending to make certain that it was on par with other budgetary needs, or required justification for expenditures so that it could be shown that legitimate purposes were fulfilled.

None of these things happened, leaving both Congress and the public with the question: What did we get for our money?

Moreover, the depth of mismanagement of taxpayers' dollars that was discovered by the IG was really troubling. According to the report, the data received from the Department was "unreliable, unverifiable, and contained little assurance that components properly tracked or accounted for all conferences and related costs."

When I made the request, I informed the IG that "neither waste nor extravagance by the Department in performance of its critical role should be accepted or condoned." I meant that when I said it, and I continue to stand by the statement now.

At the conclusion of its investigation, the IG made 12 separate recommendations, including increased Department-wide oversight and the development of internal controls to increase accountability and transparency of Department conference activities.

I fully intend to monitor the Department's progress on these important recommendations. I look forward to receiving the witnesses' testimony on this important matter.

I yield back.

Mr. CARNEY. Thank you, Mr. Chairman.

Other Members of the subcommittee are reminded that, under committee rules, opening statements may be submitted for the record.

I welcome both of our witnesses. Our first witness is Under Secretary for Management Elaine Duke. Ms. Duke currently serves as the Department of Homeland Security's under secretary for management, and in this role, she is responsible for the management and administration of the Department of Homeland Security, which includes management of the Department's $47 billion budget, appropriations expenditures of funds, accounting, and finance.

Ms. Duke also administers control over the Department's $17 billion acquisitions and procurement process. She is also responsible

for directing human capital resources and personnel programs for the Department's 223,000 employees.

She administers control of the Department's enterprise architecture through strategic use of information technology and communication systems and is responsible for oversight of the Department's facilities, property, equipment, and other material resources.

Prior to her appointment as the under secretary for management, Ms. Duke served as the deputy under secretary for management. She was the Department's chief procurement officer from January 2006 until her appointment as deputy under secretary for management in October 2007.

Ms. Duke was the Department's deputy chief procurement officer from October 2004 to December 2005 when she championed the creation of the Acquisition Professional Career Program to rebuild the Federal acquisition workforce for the 21st century, something I personally applaud, by the way.

Ms. Duke spent a great deal of her career with the U.S. Navy, where she held various acquisition positions of progressive responsibility. She began her career as a contracting officer for the U.S. Air Force. Ms. Duke holds a bachelor's of science degree in business management from New Hampshire College and a master's degree in business administration from Chaminade University in Honolulu, Hawaii.

Our second witness is Mr. Carl Mann. Mr. Mann currently serves as the assistant inspector general for inspections in the Department of Homeland Security's Office of Inspector General. Mr. Mann has served in a variety of managerial and staff positions in the Federal Government, private industry, and the United States military.

Appointed assistant inspector general for the Office of Inspections in November 2006, Mr. Mann is a charter member of the Department of Homeland Security. He served as the chief inspector in the Office of Inspections from the Department's inception in 2003 to his present appointment.

Prior to coming to DHS, Mr. Mann was a senior program analyst with the Federal Emergency Management Agency's Office of Inspector General. He has also held staff and managerial positions with the Social Security Administration's Office of Strategic Management and Office of Civil Rights and Equal Opportunity, the Department of Health and Human Services Office of the Assistant Secretary for Personnel Administration, and has served as a technology consultant for General Services Administration, the Federal Aviation Administration, and the Department of Labor.

Mr. Mann is a graduate of Virginia State University, where he earned a bachelor's of science degree in business administration. Without objection, the witnesses' full statements will be inserted into the record, and I now ask each witness to summarize your statement for 5 minutes, beginning with Mr. Mann.

STATEMENT OF CARLTON I. MANN, ASSISTANT INSPECTOR GENERAL FOR INSPECTIONS, OFFICE OF INSPECTOR GENERAL, DEPARTMENT OF HOMELAND SECURITY

Mr. MANN. Chairman Carney, Chairman Thompson, Members of the subcommittee, we thank you for this opportunity to be here this morning to discuss recommendations for improving the Department's conference spending practices and oversight.

I would like to focus my remarks on five areas where improvements are needed: Clear and consistent conference planning guidance, reliable and verifiable data, sufficient supporting documentation, compliance with applicable travel regulations, and Departmental coordination of sponsored conferences.

DHS conducts conferences for a variety of purposes, including employee and stakeholder training, information sharing, and mission support. We reviewed the Department's conference spending practices and evaluated its policies, oversight and reporting of conference-related expenditures. Specifically, we assessed the total spent by the Department on producing and facilitating conferences, retreats, and other off-site activities for 2005, 2006, and 2007.

For each DHS component, we further analyzed the budgets, funds spent, number, location, and employee attendance at conferences. From that analysis, we selected five components: FEMA, Science and Technology, Immigration and Customs Enforcement, Coast Guard, and Departmental Operations in the Directorate of Management.

We analyzed the conference spending practice for 11 conferences associated with those five components to obtain a prospective on individual components' conference-related activities. The 11 conferences include the most expensive within and outside the United States. In addition, we examined a fiscal year 2009 conference in Hawaii attended by 19 S&T personnel.

As you mentioned, from 2005 to 2007, the Department reportedly spent $110 million on conference-related activities. When compared to the annual enacted budgets of DHS, the amount spent on conferences was less than 1 percent of available funds each year. However, conference spending represents millions of dollars where management vulnerabilities can exist and areas where benefits and outcomes are generally neither evaluated nor measured.

Prior to October 2008, there was no formal DHS-wide conference planning policies, and it was unclear who was responsible for developing and communicating those policies. Although the Department's current conference planning document is intended to represent a Department-wide policy, it still defers to components to continue following their existing guidance.

It is unclear to what extent policies and guidance have been distributed or announced to DHS headquarters component or contractor personnel. As a result, significant challenges confront adherence to and monitoring of Departmental guidelines and Federal regulations.

DHS does not have a Department-wide definition of what constitutes a conference. The distinction between conference, training, and a routine meeting can affect justification requirements for an event, how it is funded, as well as who can attend. Given the importance of conferences to help achieve and further the DHS mis-

sion, DHS should adopt and use one Department-wide definition. The same should apply to training and meetings.

Having consistent terminology and guidance would reduce confusion, improve record-keeping, reporting, and oversight of Department-wide conference-related expenditures.

DHS and its components maintain information related to conferences they sponsor in many different offices within each component. Conference planning data might reside in program offices. Documentation supporting procurement of facilities and other services might be maintained and contracted. Financial transaction data might be handled by accounting. Staff expenses could be tracked in human resources. Travel costs and related documents might be handled within travel systems.

There is no central point within DHS or the five components responsible for maintaining all documents or reporting on all cost elements related to conference spending. Therefore, a central coordination point for policies, tracking and reporting of the conference expenditures should be established to minimize these differences. This will provide consistency of policy and guidance, standardize the definition of conference-related activities, consolidate costs and report reconciliation, and enable the sharing of common data among components.

DHS officials were unable to produce precise and consistent amounts on conference spending. Therefore, direct reporting from the program offices and manual review of documentation was necessary in each component.

During 2005 to 2007, the chief financial officer issued data calls to components requesting information on all the conferences sponsored or attended. However, amounts reported by the components to the CFO for the 11 conferences we reviewed were different from the amounts we obtained directly from the components for the same conferences.

Discrepancies also existed in attendance counts. We reviewed the CFO's data and the information we received 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.

Without using consistent methodology in maintaining attendance records and a final reconciliation of conference details, DHS cannot effectively provide oversight and monitor policy compliance.

We observed that the DHS components were 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 of conferences, DHS must use tools, methods, and systems to ensure accountability and minimize costs across the Department. DHS had no efficient means of locating documents or information systems that could easily be queried to obtain detailed financial or supporting information about conferences.

[The statement of Mr. Mann follows:]

PREPARED STATEMENT OF CARLTON I. MANN

FEBRUARY 4, 2010

Mr. Chairman, Ranking Member and Members of the Committee:

Thank you for the opportunity to be here today to discuss recommendations for improving the Department of Homeland Security's (DHS) conference spending practices and oversight. I would like to focus my remarks on five areas where improvements are needed:

1. Clear and consistent conference planning guidance;
2. Reliable and verifiable conference data;
3. Sufficient supporting documentation for conference costs;
4. Compliance with applicable federal travel regulations; and,
5. Departmental coordination of sponsored conferences.

At your request, Chairman Thompson, 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 fiscal years 2005, 2006, and 2007. For each DHS 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 fiscal year 2007.

During fiscal years 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 conferences. When compared to the annual enacted budgets of DHS, the amount spent on conferences represents less than 1 percent 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.

DHS conducts conferences for a variety of purposes, including employee and stakeholder training, information sharing, and mission support. 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 its components to ensure that duplication of efforts related to sponsoring conferences is minimized.

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.

DHS COMPONENTS AND CONFERENCES REVIEWED

Although we did not review all DHS components, we identified areas in which the Department can leverage best practices that will allow it to generate new efficiencies, institute a coordinated program to improve efficiency and streamline decision-making, and ensure that conferences and travel are appropriately coordinated and conducted solely for mission-critical purposes.

We analyzed conference spending practices in five DHS components to obtain a perspective on individual components' conference-related activities. 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 Guard (USCG); and,

• Departmental Operations in the Directorate for Management (DEP OPS).[1]

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 fiscal years 2005–2007. In addition, we examined one fiscal year 2009 conference in Hawaii, attended by 19 S&T personnel.

DHS CONFERENCES EXAMINED IN FURTHER DETAIL

Component	Fiscal Year	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) Attache 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

DEPARTMENT NEEDS CLEAR AND CONSISTENT CONFERENCE PLANNING GUIDANCE

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. Although DHS' conference planning document is intended to represent Department-wide policy and reflects a progressive effort, it still defers to components with stricter directives to continue following their existing guidance. Within various Departmental documents, multiple 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.

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.

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. Given the importance of conferences to help achieve and further the DHS mission, DHS should adopt and use one Department-wide 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.

[1] 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.

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.

DHS officials were unable to produce precise and consistent numbers on conference spending. For example, related conference expenses in 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 DHS components contained missing data and had discrepancies. For fiscal year 2007 conferences, sponsorship information was often incomplete or inaccurate. In essence, the data received for fiscal years 2005–2007 were unreliable, unverifiable, and contained little assurance that components properly tracked or accounted for all conferences and related costs.

In addition, 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.

Similar differences existed when reviewing the 11 conferences in detail. During fiscal years 2005–2007, DHS' Office of Chief Financial Officer issued data calls to components requesting information on all conferences sponsored or attended. However, the amounts reported by components to the Chief Financial Officer for the 11 conferences were different from the amounts we obtained directly from the components for the same conferences.

Discrepancies also exist in attendance counts. We reviewed data from DHS' Office of Chief Financial Officer 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 final reconciliation of conference details, DHS cannot effectively provide oversight and monitor policy compliance.

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, the Department has the opportunity to develop a systematic, disciplined approach to managing conference-related costs.

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.

CONFERENCE COSTS DO NOT HAVE SUFFICIENT SUPPORTING DOCUMENTATION

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 Depart-

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

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.

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.

In addition, there was no central point within DHS or the five components we reviewed responsible for maintaining all documents or reporting on all cost 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.

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.

Further, it appears that components have underestimated and underreported conference costs. For example, invoices retrieved from the National Disaster Medical System (NDMS) contractor and subcontractor were significantly more than what FEMA reported to us, 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.

As I previously mentioned, cost comparisons were often not conducted. Conference planners are required to conduct site comparisons and are to consider both lower cost conference locations and venues at various locations.[2] 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 conference site.[3] 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.[4]

We determined that two components did not provide adequate supporting documentation related to conducting cost comparisons. For example, FEMA sponsored a conference for its Region IX Regional Interagency Steering Committee (RISC) meeting, which was held at the Waikiki Beach Marriott Hotel.[5] 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.

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.

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[2] 41 CFR § 301–74.3: What must we do to determine which conference expenditures result in the greatest advantage to the Government?

[3] 41 CFR § 301–74.19: What records must we maintain to document the selection of a conference site?

[4] 41 CFR § 301–74.4: What should cost comparisons include?

[5] RISC meetings rotate from State to State in Region IX, and this meeting was held in Hawaii as its normal place in the rotation.

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.

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 non-Government facilities, and identify cost savings related to conference planners.

DHS TRAVEL EXPENDITURES WERE NOT SUPPORTED CONSISTENTLY OR IN COMPLIANCE WITH APPLICABLE REGULATIONS

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

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 by Federal travel regulations. For example, six employees neglected to deduct the lunch portion of their meals and incidental expenses 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.

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.

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.

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. For the fiscal year 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.[6]

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 on-going component conference activities, headquarters elements do

[6] The fiscal year 2006 Commanding Officers' Conference cost $113,401.

not have the information they need to ensure that DHS' overall strategic goals are being achieved in the most efficient manner possible.

In summary, 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 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.

Mr. Chairman, that concludes my prepared statement. I would be happy to answer any questions you or the Members may have.

Mr. CARNEY. Thank you, Mr. Mann.

Ms. Duke.

STATEMENT OF ELAINE C. DUKE, UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF HOMELAND SECURITY

Ms. DUKE. Chairman Carney, Chairman Thompson, Members of the committee, thank you for having me here this morning. The Department encourages and supports employee participation in Federal and non-Federal meetings and conferences. Such events are an excellent means to exchange and communicate ideas and knowledge.

However, there is also a need to ensure that attendance at meetings and conferences is mission-critical, as prescribed in management directives and DHS policies.

We appreciate the inspector general's recommendations in the "DHS Conference Spending Practices and Oversight" report and concur with the majority of the findings.

However, when reviewing the data, it must be noted that the report is based on the Department facilitating conferences and offsite activities for fiscal years 2005 through 2007. These findings validate the pathway we are on to ensure that DHS conferences and travel policies reflect the best practices and are uniformly instituted throughout the Department.

In October 2008, we issued a Department-wide conference-planning policy as part of a travel handbook within the Office of the Chief Financial Officer. This handbook delineates DHS-wide policy regarding employee travel expenses and conference planning. The handbook also provides official travel policies and guidance to DHS employees throughout the Department.

The conference-planning policy was based on current regulations and is consistent with the Federal Travel Regulation.

In March 2009, DHS launched the Department-wide efficiency review to trim costs, streamline operations, and manage resources across the Department more effectively. Two of these initial initiatives under the efficiency review deal with the subject of this hear-

ing: Travel expenses and conference planning, including the use of Government facilities for conferences. The intent is to ensure that DHS operates in the most economical and efficient manner.

Specifically, every effort should be made to conduct meetings, conferences, and trainings using the least costly method to the Government. DHS will ensure all travel is essential in carrying out its mission and will make every effort to use means such as conference calls, local area events, web-based communications to reduce costs.

Some of the key elements of our new policy include requiring each component to have a senior accountable official, to ensure that components adhere to DHS travel policies, including making sure all travel is mission-critical, and having the appropriate documentation.

It also includes requiring conferences or training events to be held within the local commuting area of the majority of conference attendees. It requires that conference sites outside the local commuting area may not be selected until it is critical for meeting mission needs and that the appropriate cost-benefit analysis has been done.

For Nation-wide conferences, components must also perform a cost-benefit analysis and get at minimum three proposals. Further, in selecting conferences' sites, officials must first consider Government facilities and must document if the use of Government facilities is not appropriate.

In December 2009—excuse me, November 2009, DHS established a conference and event planning services working group that has membership from throughout the Department. This group is tasked with making sure we leverage our DHS resources both in terms of ensuring we have adequate knowledge and use of Government facilities and leverage—excuse me, spending through strategic sourcing.

We have had success stories from this, both in reducing the cost of travel, using web-based conferencing, and we look forward to both refining our policy further and making sure that the policies are carried out throughout the Department.

Thank you.

[The statement of Ms. Duke follows:]

PREPARED STATEMENT OF ELAINE C. DUKE

DECEMBER 17, 2009

Chairman Carney, Ranking Member Bilirakis and Members of the subcommittee, thank you for this opportunity to discuss conference spending, practices, and oversight within the Department of Homeland Security (DHS).

The Department encourages and supports employee participation in Federal and non-Federal meetings and conferences. Such events are excellent means to exchange and communicate ideas and knowledge. However, there is also a need to ensure that attendance at meetings and conferences is mission-critical, as prescribed in management directives and other policies.

Generally, an employee may attend a meeting or conference when the employee is selected to deliver a paper or to serve as a participant; when attendance will benefit the employee's subsequent job performance; or when substantial professional advantage beneficial to DHS is expected.

We appreciate the Inspector General's recommendations in the "DHS Conference Spending Practices and Oversight" report and concur with the majority of the findings. However, when reviewing the data, it must be noted that the report is based

on the Department facilitating conferences and off-site activities for fiscal years 2005 through 2007.

In October 2008, we issued a Department-wide conference planning policy as part of a Travel Handbook within the Financial Management Policy Manual. The handbook delineates DHS-wide policy regarding employee travel expenses and conference planning. The handbook also provides official travel policies and general travel guidance to employees of DHS and our components. The conference planning policy was based on current regulations and guidelines outlined in the Federal Travel Regulation.

In March 2009, the Secretary launched a Department-wide Efficiency Review Initiative to trim costs, streamline operations, eliminate duplication, and better manage resources across the Department. Elements of the efficiency program, specifically the travel and use of Government facilities initiatives, have already generated Department-wide policies covering the conference planning process. The Secretary's intent is to ensure DHS operates in the most economical and efficient manner possible. Specifically, every effort should be made to conduct meetings, conferences, and training using the least costly method to the Government. DHS will ensure all travel is essential in carrying out its mission and will make every effort, using means such as conference calls, local area events, and web-based communications, to reduce costs to the Government.

Building upon the two Efficiency Review initiatives—regarding the use of Government facilities and regarding travel—DHS is currently working to establish a comprehensive "One DHS" policy on conferences. In November 2009, DHS established a Conference and Event Planning Services working group, which 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—such as information on the usage of Government facilities—for employees to use while planning conferences and events.

The Efficiency Review Action Directive on travel requires each component to designate a senior accountable official to ensure that the component adheres to travel policies and that mission-critical travel is conducted as efficiently and effectively as possible. Conferences or training events are required to be held within the local commuting area of the majority of the conference attendees; a conference site outside the local commuting area may not be selected unless it is critical for meeting mission needs or an internal cost-comparison analysis has demonstrated that the savings attributable to use of the particular site in question will offset the transportation and per diem costs of the conference attendees. For Nation-wide conferences, components must perform a cost comparison of location and facility alternatives to ensure requirements are met at the lowest possible cost. Further, both the Action Directive on travel and the Action Directive on facilities require that, when selecting facilities for conferences and meetings, conference planners, and approving officials must first survey internal Departmental and other Government resources. All analysis must be provided in writing and maintained on file by the conference approving official and the component Chief Financial Officer.

We have had some great success stories in our travel and conference planning this year—large and small—across the Department. Examples include:

- A recent Industry Day conference to introduce the EAGLE II procurement used Microsoft Live Web-conferencing, reaching more than 600 participants across the country, generating $10,000 in cost avoidance.
- U.S. Customs and Border Protection restructured its mission support training forum by posting training material on its website and by conducting local and web-based training instead of gathering mission support personnel in a single commercial location; these actions avoided approximately $640,000 in travel and administrative costs.
- Immigration and Customs Enforcement personnel utilized U.S. Army lodging facilities in lieu of hotels when attending an advanced firearms training, realizing more than $188,000 in cost avoidances in fiscal year 2009.
- United States Citizenship and Immigration Services realized a cost avoidance of $130,000 in fiscal year 2009 by replacing a management training that previously required the rental of private facilities with a telephonic training.
- The Federal Law Enforcement Training Center saved more than $104,000 in travel and per diem costs by holding its biennial Leadership Conference for senior managers at its office instead of a private facility.
- The Transportation Security Administration's Field Leadership Council, an advisory committee comprised of airport Federal Security Directors and Special Agents in Charge, has begun utilizing video teleconferencing in lieu of meeting in person, avoiding $28,560 in fiscal year 2009 in travel and per diem costs.

Thank you, Mr. Chairman and Members of the subcommittee for your interest in and continued support of DHS programs. Thank you for the opportunity to testify before the subcommittee about the DHS travel and conference program. I will be happy to answer any questions you or the Members of the subcommittee may have.

Mr. CARNEY. Thank you, Ms. Duke.

As you have heard, we have been called to votes. We have about 4 minutes left. We will suspend the hearing until after the votes, and we will reconvene 10 minutes after the last vote is held.

I want to be respectful of your time, both of you. I understand you have a lot of pressures. But, Ms. Duke, especially, we would like—we understand you have to leave to be someplace later on. If you could stay for at least one round of questions before you depart, we would appreciate that.

Ms. DUKE. Yes, Mr. Chairman. I would be happy to.

Mr. CARNEY. Thanks so much.

Okay, with that, we stand suspended.

[Recess.]

Mr. CARNEY. The subcommittee will reconvene. I wanted to thank the witnesses for their testimony. If there is no objection, I would like to submit for the record the written testimony that was received from the National Business Travel Association. Hearing no objection, their written statement will be entered into the record.

[The information follows:]

STATEMENT OF THE NATIONAL BUSINESS TRAVEL ASSOCIATION (NBTA)

The National Business Travel Association (NBTA) submits the following comments in response to the House of Representatives Homeland Security Committee's Management, Investigations, and Oversight Subcommittee hearing on February 4, 2010 entitled "Furthering the Mission or Having Fun: Lax Travel Policies Costs DHS Millions."

BACKGROUND

The National Business Travel Association (NBTA) is the world's premier business travel and corporate meetings organization. NBTA and its regional affiliates—NBTA Asia Pacific, the Brazilian Business Travel Association (ABGEV), NBTA Canada, NBTA Mexico and NBTA USA—serve a network of more than 15,000 business travel professionals around the globe with industry-leading events, networking, education & professional development, research, news & information, and advocacy. For nearly 40 years, the association has been dedicated to the professional development of its members and the advancement of the business travel management community through advocacy, education and training, and networking opportunities.

Today's hearing on a report by the Department of Homeland Security (DHS) Inspector General (IG) on the use of taxpayer dollars for conferences, retreats, and other off-site activities highlights two issues. The first is the effective management of travel policies to achieve Government objectives. The second is a larger issue—the overall value of business meetings and conferences.

After assessing the IG report, NBTA believes that DHS should immediately implement a new Government travel management program to:

(1) Develop internal controls related to the implementation of travel policies;

(2) Provide oversight of how Government employees spend their travel dollars; and

(3) Implement a more effective reporting structure for conference planning and spending practices.

This program should be led by a certified Government travel buyer and supported by training resources that will help keep DHS travel management practices up to date in order to effectively serve the public interest.

Issue 1—Effective Management of Government Travel

In addition to a wide array of private sector training and education, NBTA also offers educational events and programs focused on the needs of Government travel managers.

The Government Travel Group (GTG) is committed to ensuring that members have the tools and information to successfully manage travel programs. This is accomplished by:

- Facilitating an environment that allows for sharing of information affecting Government travel programs;
- Promoting the education of Government travel professionals; and
- Providing support to those managing travel programs in Government agencies by providing information via the GTG News Brief, and on-line databases designed specifically for Government travel professionals.

NBTA believes that Federal agencies, like private sector entities, have a responsibility to wisely manage travel and meetings costs, while providing transparency and accountability. Additionally, a well-managed travel program should include the following practices:

- Expense reporting;
- Cost containment; and
- Policy compliance.

In our view, all of these practices are consistent with President Obama's Good Governance initiative, which calls for responsible spending of taxpayer funds.

THE IMPORTANCE OF A TRAVEL MANAGER

The complexities of the industry have evolved the role of a Government travel manager into a multi-faceted function that ranges from service to quality control to analysis and expense management. The travel manager counsels and advises employees on matters relating to business travel to include booking methods and cost-effective travel considerations. He or she will also regularly facilitate surveys of travelers to assure that services are at required levels and will publish traveler satisfaction results to demonstrate on-going customer satisfaction. The travel manager will work to establish Quality Assurance (Service Level Agreements/SLA's) agreements with suppliers to ensure the highest standards are measured and achieved. Recommendations should be made for integrated, comprehensive travel programs by working with key stakeholders. A travel manager will utilize travel management reporting tools and use these assessments to ensure policy compliance, make recommendations and implement changes to the travel program. Expense management is realized in the development and management of the Departmental budget, providing a consultative role within the agency with regard to future travel cost budgeting and providing recommendations for improving expense management strategies within the agency.

In addition, the travel manager serves to develop and distribute information regarding traveler safety and security. In doing so, he/she is responsible for overseeing the implementation of traveler tracking and alert systems available through multiple sources, including the preferred travel management companies, on-line booking technology, Government agencies and outside security suppliers when appropriate. The manager is also responsible for the development of a Travel Management Services Crisis Plan in conjunction internal company departments including human resources and risk management and also with preferred travel management companies or key suppliers.

To help educate the Government travel manager on the roles and responsibilities that come with this position NBTA, working with several Government agencies, developed the Certified Government Travel Executive Program (CGTE). The CGTE program is aimed at helping Government travel professionals meet the demands that come with managing multi-faceted travel programs. The knowledge and skill sets gained from completing the CGTE program help to build a strong leader and a successful Government travel manager.

CGTE is a comprehensive program that enables participants to:

- Define the scope and responsibility of the Government travel manager;
- Discover new ways to communicate ideas to employees and superiors;
- Network with peers that represent all branches of Government and various sectors of industry; and
- Attain professional growth and development as a leader within your agency or company.

The CGTE is modeled on NBTA's education program for private sector travel managers, the Certified Corporate Travel Executive (CCTE) program. The CCTE is

designed to help corporate travel managers adapt to the changing global business environment by using corporate travel as a strategic tool.

Issue 2: Value of Business Meetings

Earlier this year, Senate Majority Leader Reid noted the importance of travel and meetings to the economy. In a letter to the Treasury Department, he notes: " . . . conventions and meetings are a routine and accepted part of running a successful enterprise in this country. Sales of products and services, networking opportunities, and negotiating and consummating transactions all come from these types of meetings, leading to productivity and growth for companies that ultimately create jobs. In turn, these functions create another 2.4 million jobs annually for those businesses that host and provide services to them."

While there are many well-known examples of mismanagement of travel in the private sector, today's hearing brings these same challenges to light in the Government context. It is easy to forget, as a result, that travel is not a "perk" for many individuals. Indeed, for these people, it is a job requirement that takes them away from family for long periods of time, sometimes to remote areas around the globe. As a result, it is incumbent upon the employer—public or private—to provide safe, economic, and efficient guidelines to the traveling employee.

NBTA and the travel industry are quite aware of the negative portrayal of business travel and events permeating the media in the wake of several high-profile meetings over the last year. In truth, the vast majority of meetings, conventions, and conferences are cost-efficient, well-planned tools used by companies to drive business. Additionally, business meetings are an economic benefit to the host city and local businesses.

All told, the travel industry is a major component of our Nation's economy, directly supporting 2.4 million jobs and accounting for $240 billion in spending and $39 billion in tax revenue at the Federal, State, and local levels, with the average meeting or event traveler spending about $1,000 per trip. However, recent statistics from the Department of Labor report that nearly 200,000 travel-related jobs were lost in 2008 and another 247,000 are expected to be lost in 2009. While NBTA supports the Government crackdown on excessive travel and entertainment spending by Troubled Asset Relief Program (TARP) recipients companies, we encourage the Government and media to promote responsible travel in order to help our Nation's economy recover.

As an example of the importance of business travel and attending meetings, NBTA recently released a survey indicating that corporate travel buyers attending the NBTA Convention in 2007 and 2008 reported that their attendance has helped them save their companies, on average, 11 percent of their annual Travel and Entertainment (T&E) budget. These savings are based on negotiating travel deals with suppliers and learning about cost-saving ideas in formal education sessions and informal discussions with their colleagues.

In the case of NBTA's annual convention, there is significant economic data indicating a strong return on investment for this meeting. With an average T&E spend of $125.5 million, the average savings resulting from NBTA Convention attendance is about $13.9 million. Assuming an investment of $1,950 (round-trip airfare, 3 night's lodging, registration fee, meals not provided, and incidentals), the average attendee's ROI is well over 7,100 percent.

While NBTA is obviously most familiar with the economics of its own convention, we are confident that other industries derive similar benefits from their own meetings and conventions.

CONCLUSION

The National Business Travel Association believes a well-managed travel program ensures agencies such as the Department of Homeland Security are following guidelines that specifically include expense reporting, cost containment, and policy compliance. This outcome is exactly the type of transparency and accountability the Obama Administration has sought. Thus, NBTA encourages not only the Department of Homeland Security, but all relevant Government agencies to train its travel department and institute an agency-wide managed travel program.

Mr. CARNEY. I will remind each Member that he or she will have 5 minutes to question the panel. I will now recognize myself for 5 minutes.

Ms. Duke, starting out with you, when Department operations held its annual conference for administrative officers in the District of Columbia, instead of holding it at a Government venue, DHS

hosted 650 employees at the Mandarin Oriental, a four-star luxury hotel and spa, at the cost of $100,000 a day for 3 days.

Was a cost comparison done to justify such a cost? How was that chosen as the venue? What happened there?

Ms. DUKE. In that particular case, there was a cost comparison done, and there were quotes from several vendors. One of the challenges is finding a venue for that many people. It is a high cost. It is the annual training conference for that group of individuals.

But since that conference, we have looked at not only the actual costs, but the appearance of costs and making sure that DHS isn't representing itself in a way that we are having events at those type of establishments.

Mr. CARNEY. Because in your opening comment, you mentioned that you need to use the least costly. You couldn't have come down a couple of stars on that, in terms of——

Ms. DUKE. Yes.

Mr. CARNEY. Okay. Now, the number of folks that attended, also, 650 seems like a very healthy number. Was there any kind of criteria to screen the number that decided how many people should actually attend?

Ms. DUKE. I think there are two types of conferences. There are conferences in which we are looking at minimizing the number of attendees. That particular conference is really a training event. It is an annual event for DHS employees in the administrative fields to get training on the latest policy, both Federal and DHS. So it is important in that particular case for the employees that need the training to attend.

Mr. CARNEY. Okay. We will return to this.

I want to ask Mr. Mann a question. Mr. Mann, who in DHS is in charge of management and oversight of the conference spending?

Mr. MANN. It appears as if it is so decentralized that individual agencies run their own conference management shops. We did not identify anyone in DHS who had central responsibility for managing conferences.

Mr. CARNEY. Who should have this responsibility, given the organization chart of the Department?

Mr. MANN. Well, the recommendations in our report were sent to Ms. Duke's office. It is our feeling that that is where the management oversight should be.

Mr. CARNEY. Ms. Duke, do you agree? Is that correct?

Ms. DUKE. I agree that management should have the oversight. I do believe with our functional integration model, though, that some type of—not as decentralized as it was, but decentralized decision-making is appropriate.

Mr. CARNEY. Mr. Mann, do you think the conferences in the end helped further the mission of the agency? Or did it—was there a value added? Did we get the kind of bang for the buck that we were after here?

Mr. MANN. Well, I think that we did. It is actually hard to determine in some cases simply because we didn't have a good system to measure or the Department doesn't have a good system to measure the success or the value that the individuals have gotten for their conference attendance.

But given the variety of missions that are within DHS, the need to exchange information, we don't question necessarily the number of conferences or the purposes of the conferences. We do believe that they do add value to the Department.

Mr. CARNEY. Mr. Mann, when one of the DHS officials told the Office of Inspector General that there is no reason to track conference expenditures because there is no spending restrictions, is that true? I mean, are there no spending restrictions in place? Have there been no guidelines? If they don't track the spending, how do we know it is even $110 million that was spent? Could it have been more?

Mr. MANN. It could have been—you raise a very interesting point, and that is one of the premises of the report that we provided. We are not certain. We certainly believe from inspector general's perspective—and just from a reasonable method of managing anything—we believe that there should be some accountability, there should be tracking systems, there needs to be at least the ability to compare costs to determine whether or not the Department is, in fact, getting what it is paying for, and that the information on—I am sorry, but that the money is being allocated to events that further the Department—that further the mission of DHS.

Mr. CARNEY. Okay. Well, thank you.

I now yield 5 minutes to Mr. Pascrell.

Mr. PASCRELL. Thank you, Mr. Chairman.

Thank you, Ms. Duke, Under Secretary, and Mr. Mann, for your work at the request of the Chairman of this committee. I would imagine that when you were examining what happened during this 2005 to 2007 period of time, you must have had some real eye-openers, and you must have said to yourselves, "This can't be."

Because the same transparency and accountability that we have asked of every agency in homeland security, as well as the Department itself, doesn't exist in most of the agencies of homeland security. This is a systemic problem within the Department for there not to be any checks and balances.

So what we have here is, Mr. Chairman, I would think we could conclude that there is bureaucracy upon bureaucracy. When there is bureaucracy, there is no accountability. It doesn't matter whether we are talking about December 25 or we are talking about budget stuff or we are talking about what happened here.

The figures that Homeland Security gave you about the expenditures of traveling during this time and the figures from Mr. Mann are quite different, aren't they, Mr. Mann?

Mr. MANN. That is correct.

Mr. PASCRELL. How can you have such discrepancy—we are not talking about a few thousand dollars here. We are talking about a huge gap between what has been recorded and then what you found. Specifically and briefly, why?

Mr. MANN. Well, it is our impression that the decentralization of what might occur in planning a conference, acquisition of facilities could occur or could be managed by one portion of an entity. The accounting—I mean, it could be—it is so separated that it doesn't necessarily mean that the costs are not justified, but they are not consolidated to a point where the final cost of a conference could

be assumed with relative surety, because information is scattered. It is not within one place within any component.

Mr. PASCRELL. Whose responsibility is it for putting these numbers all together, to having at least the facade of an integrated system?

Mr. MANN. That is a good question, sir. I am not certain.

Mr. PASCRELL. I think you are being very frank, because when you go through the maze of the charts—who would you say, Ms. Duke, is responsible?

Ms. DUKE. Recently, within the last year, we have identified what is called a component accountable official, so there is one official in each component, and then it is in the—over the oversight of my office, through the chief financial officer.

Mr. PASCRELL. These officials do know what receipts and vouchers are necessary to prove work product, correct or incorrect?

Ms. DUKE. Yes, that is correct.

Mr. PASCRELL. Apparently they didn't know that before or there was no one person assigned to each of these entities, is that correct?

Ms. DUKE. That is correct.

Mr. PASCRELL. Let me ask you this question. Who is in charge of booking travel for the Department?

Ms. DUKE. That is decentralized. There is not one central place where travel is booked.

Mr. PASCRELL. So, in other words, any one of those agencies previously could have reached out to whomever through the procurement office officer in order to try to get quotes on how much it costs? Did they have one travel agency?

Ms. DUKE. For conference planning, there is not one travel agency. For individual Federal travel or the employee traveling, there is a mandatory source.

Mr. PASCRELL. This reminds me of another scam that we came across 4 years ago, 5 years ago. Remember Shirley Limousine? Remember that paper?

Ms. DUKE. Yes.

Mr. PASCRELL. I remember it very, very well. The person who controlled that organization was a felon. I mean, that doesn't make him a bad guy, I guess, but he was a felon. We can't figure out how we got the contract.

If there is—there being such a huge discrepancy in the numbers here, Mr. Mann, am I using hyperbole to suggest that there might be something crooked going on here in certain instances, something perhaps indictable, something criminal? I mean, am I too far off on the limb? Tell me. I will come back——

Mr. MANN. Well, I would be hard pressed to say that there is criminal. I think that what the Department needs is better documentation. It doesn't necessarily mean that the activities were criminal or—but——

Mr. PASCRELL. But it is harder to find because the documentation is not there.

Mr. MANN. That is correct.

Mr. PASCRELL. If I was a criminal trying to cover up the actions, no one accountable, it would be a lot easier, wouldn't it, Mr. Mann?

Mr. MANN. It would be, yes.

Mr. PASCRELL. It would be. So I would hope—and thank you for all of the work that you have done, Ms. Duke, to clean up other people's messes in the past 3 years. I am sorry to hear that you are leaving. If they had any brains, they would make you a big offer. I am going too far, but what can I tell you?

I hope that people will listen—I know you are gaveling me because I am telling some things here—but I hope——

Mr. CARNEY. No, because your time is up.

Mr. PASCRELL. I know. My time is always up. I thank you for all your service.

Thank you, Mr. Mann, as well.

Thank you, Mr. Chairman.

Mr. CARNEY. Thank you, Mr. Pascrell, certainly.

Mr. Green, I know that you were here first, but I am going to recognize the Ranking Member for 5 minutes.

Mr. BILIRAKIS. Thank you. Thank you so very much. Appreciate it. Can I insert my statement in the record? I would like to do that.

Mr. CARNEY. So ordered.

[The statement of Mr. Bilirakis follows:]

PREPARED STATEMENT OF RANKING MEMBER GUS M. BILIRAKIS

FEBRUARY 4, 2010

Thank you, Mr. Chairman.

At many of our hearings this Congress, I have expressed my view that we must ensure that vital homeland security funding is spent as efficiently and effectively as possible, and conference spending is no exception.

Of course, attendance at conferences is important in helping the Department to fulfill its mission, be it through training, exercises, or even networking. After all, the time to exchange business cards is not during the response to a disaster.

However, the Department must be a good steward of taxpayer dollars when planning conferences or other travel and deciding which staff will attend.

To that end, I am looking forward to hearing from Ms. Duke about efforts underway at the Department to implement the Inspector General's recommendations and ensure that a Department-wide conference policy is in place.

It is also important that the Department be able to adequately track and report its spending on conferences. It is my hope that the Department will leverage the technology from its financial management consolidation efforts to achieve this goal.

I am also looking forward to Mr. Mann's testimony and am particularly interested in lessons learned and best practices from both within DHS and within other Federal agencies and departments that the Department could implement to ensure it has sound conference planning and tracking capabilities.

We should also practice what we preach. From January 1 through September 30 of last year, the Committee on Homeland Security spent nearly $73,000 on travel-related expenditures. This amount of spending exceeds the travel expenditures of all other House committees, with the exception of the Appropriations Committee.

This past August, 14 committee staffers—11 Democrats and 3 Republicans—traveled to Australia and Thailand. While I'm sure there were many benefits to this staff travel, we must ask ourselves the same questions that we are asking the Department: Was this necessary and reasonable?

I also find it ironic that, at the same time this subcommittee was originally scheduled to hold this hearing entitled, "Furthering the Mission or Having Fun: Lax Travel Policies Cost DHS Millions," staff from the Department was traveling with staff from this committee, to among other places, Las Vegas, at a likely cost of tens of thousands of dollars to taxpayers.

I don't doubt the value of the information this trip provided to our committee staff, but I wonder whether there would have been more appropriate venues to visit where the same things could have been learned more cost effectively for taxpayers.

Mr. Chairman, we must all work together to ensure that money spent by the Federal Government is put to the best use. I look forward to working with you and the Department to ensure this is done.

Before I yield back Mr. Chairman, I wanted to take the opportunity to recognize Under Secretary Duke for her service. This may be the last time she testifies before this subcommittee and I want to thank her for her willingness to work with our committee and for all of her efforts to enhance the Department of Homeland Security. Secretary Duke, you will be missed.

Thank you, Mr. Chairman. I yield back the balance of my time.

Mr. BILIRAKIS. Thank you.

Secretary Duke, the inspector general's report noted the difficulty they had in obtaining conference data because it was—the manual was—it was a manual process. Much of the requested data is several years old. Is the Department better able to track and produce data from more recent fiscal years? If not, what plans do you have to enhance your tracking process? Will you leverage the capabilities of TAS to achieve better visibility into conference spending?

Ms. DUKE. The accountability is better now because we have one central person, but it is still a manual system, and we are looking at TAS to be part of the solution for automated financial controls. Additionally, we are moving to a standard classification system for financial, so what Mr. Mann said doesn't happen where things are accounted for in different ways, in different components.

Mr. BILIRAKIS. Thank you. Next question, again, for you, Madam Secretary. Portions of the Secretary's efficiency review initiative focused on spending related to travel and conferences. You touched on some of the outcomes in your testimony. Could you elaborate on the findings or outcomes of the initiative? Does the conference data provided to the inspector general's office include spending for Congressionally-requested trips and side visits?

Ms. DUKE. No, the IG report was just on conferences, so it would not include the Congressionally-requested trips. What we are doing is—in addition to the accounting that Mr. Mann talked about—really looking at the mission essential, the number of people we send, what type of facilities we use, as the Chairman said. So it is really a comprehensive look.

Also, travel, how many people we send on travel and the cost of that travel is a huge part of conference spending.

Mr. BILIRAKIS. In your testimony, you noted the importance of conferences for staff as a learning tool and a forum for the exchange of ideas. As a Member from a State that heavily relies on tourism, I know those conferences can also be valuable to the local economy. How does the Department and its components determine where to hold the conferences?

Ms. DUKE. Under the new rule, we look at where most of the attendees will be from and look for local sites. We require competition among the sites, preferably, again, where most of the attendees are located so we don't have those travel costs. We require at least three proposals to look at, to get a low-cost alternative.

Mr. BILIRAKIS. Thanks for that information. Is there a mechanism to determine the return on investment for travel to meetings and conferences in terms of increased productivity or improved performance?

Ms. DUKE. Currently, we have satisfaction surveys, but we don't have a systemic way to look at increased productivity, no.

Mr. BILIRAKIS. Okay. Mr. Mann, what lessons learned or best practices from other Federal agencies or departments could the Department implement to strengthening its conference oversight?

Mr. MANN. Well, one of the things that DHS did, for example, the Coast Guard has an annual commanders conference, and it is based on when Coast Guard individuals rotate. Now, for 2009, the commanding officer for this particular district of the Coast Guard who sponsors this conference recognized that there was no rotation among the Coast Guard officers and decided not to hold the annual conference, simply because it was scheduled, which potentially saved $113,000 for the Department.

So I think that broader scrutiny with regard to whether an annual—whether a conference is needed, whether there are alternative methods to providing conference information certainly should be looked at.

Mr. BILIRAKIS. Okay, I understand your report was completed last November. Have you been monitoring the Department's implementation of your recommendations since that time? If so, please tell us the progress.

Mr. MANN. There were 12 recommendations in the report. In the Department—we were able to close one of the recommendations almost immediately. The Department is due to provide us with its corrective action plan within the next couple of weeks.

Mr. BILIRAKIS. Okay. Based on your review of the Department of Homeland Security, would you recommend any changes to the Federal travel regulations that would promote greater efficiency throughout the Executive branch?

Mr. MANN. No, I think the Federal travel regulations are adequate for their purposes.

Mr. BILIRAKIS. Okay. Thank you very much. No further questions. I yield back.

Mr. CARNEY. Thank you, Mr. Bilirakis.

The Chair now recognizes Mr. Green, from Texas, for 5 minutes.

Mr. GREEN. Thank you. I thank you and the Ranking Member. I thank the witnesses for appearing, as well.

I am always sensitive when it comes to issues of this kind. I am sensitive for two reasons. One, they are hard-working employees who don't merit having a broad brush touch them. What I would want to understand is that this is not something that is so pervasive that all of the employees should somehow be viewed in a negative light.

Ms. Duke, would you kindly comment please, so that the record will reflect an opinion about this?

Ms. DUKE. Yes. I mean, I think when you look at the conferences even listed in the appendix of the IG report, the predominance even in just that summary are clear of why they were needed. It was going to sites to meet with small businesses, to do employment fairs, those type of things.

What we have to do is be better about documenting and make sure we do those necessary events, that they are done in the most cost-effective way, including the travel costs, the hotel costs, or use of Government facilities.

So I think that, in looking through the list of conferences, the employees that attended gave value. They were mission-critical. We

just have to handle the fiduciary side of it a little more completely and effectively.

Mr. GREEN. Mr. Mann, would you care to comment, please?

Mr. MANN. Certainly. I think that a part of the issue here is a lot of employees are just not familiar with travel regulations. For example, in cases where meals might be provided as a part of the conference, we determined that there were some instances where employees were still getting per diem.

It is our impression that there is certainly nothing criminal—there is no criminal intent in that, but just a basic unfamiliarity with the rules and regulations as it pertains to what can be vouchered on their travel expense documents versus what cannot.

We in the IG certainly see the value in having conferences of this nature. I mean, we have our own conference within the IG, where it is an opportunity to share information, and then we are all hearing the same thing at the same time.

So we certainly support conferences. But as Ms. Duke said, the real issue here is documentation that really doesn't make everything add up to indicate that the amount spent for conferences was, in fact, appropriate.

Mr. GREEN. We do have a list of conferences—selective conference activity for review. As I look at this, I would just like for you to just give some indication as to whether or not these are legitimate conferences. There was a case where 150 employees attended a leadership conference that cost $28,995. Was that a legitimate conference?

Mr. MANN. Are you asking me, sir?

Mr. GREEN. Yes, sir. Do you have the same information that I have, where we have——

Mr. MANN. I am not exactly sure.

Mr. GREEN [continuing]. A conference—this is a conference in St. Simons Island. Don't have that? Okay, let me do this, if I may. Having been a trial lawyer, may I approach the witness, Mr. Chair?

Mr. CARNEY. You may ask your questions, Mr. Green.

Mr. GREEN. Okay. Well, then may I have this given to the witness?

Mr. CARNEY. Yes, that would be fine.

Mr. GREEN. Okay, thank you. Here. Okay, would you pass that to the witness, please?

Mr. MANN. You know, while that is on its way to me——

Mr. GREEN. I may have to interrupt, because I only have a minute and 2 seconds left. So let me just hurriedly go through these, and perhaps the Chair will give you the additional time. The first listed, the first bullet, 150 employees, leadership conference, $28,995. Was that a legitimate conference?

Mr. MANN. To be perfectly honest with you, sir, our scope did not involve determining the legitimacy of the conference. It was, we took what we were able to get from the Department at face value. I know it is a terrible thing to assume that it wasn't legitimate, but it would be assumption that it was a legitimate conference. Perhaps Ms. Duke can elaborate.

Mr. GREEN. Ms. Duke, can you tell me, please?

Ms. DUKE. I can get back for the record, but I think when we looked through all these conferences, they were legitimate. I know that that particular CBP conference, in later years, they did it by technology, rather than holding an in-person conference on that particular CBP one.

Mr. GREEN. Let me ask—Mr. Chairman, may I ask one additional question? My time is up, and I don't want to abuse the privilege.

Mr. CARNEY. I appreciate you asking. Because of that, you will be granted additional time.

Mr. GREEN. Thank you, Mr. Chairman.

Just quickly, we have this list that I have accorded you. Is there any conference on this list that is not a legitimate conference?

Ms. DUKE. I don't see any on the list that are not legitimate conferences. Again, we have to be efficient in the number of people we send, where we have them, but in terms of the topics that are on this list, I believe they are all mission-essential conferences, as we have described it.

Mr. GREEN. All right. Thank you very much.

Thank you, Mr. Chairman.

Mr. CARNEY. Thank you, Mr. Green.

Ms. Duke, the DHS reimbursed employees for gala tickets, for $8,000 plane tickets. Where was that to and from? Do you have any idea what would make a ticket cost $8,000?

Ms. DUKE. There are cases of business-class or first-class travel, and that would be—an international business-class travel ticket would be in that range. We have tightened up quite a bit our policies and our actual activity on business- and first-class travel.

Mr. CARNEY. Does that include the luggage fees and box lunch fees and things like that, too? Now, something that was sort of troubling to me is that people were reimbursed for free meals. At what rate were they reimbursed for free meals? How did they submit a claim for a free meal? They knew the meal was free.

You know, not to put too fine a point on what Mr. Pascrell was saying, but was there some mischief here, somebody trying to game the system in this respect? This is for both of you, by the way.

Ms. DUKE. The issue is that an employee gets per diem, so much a day, and when they have a free meal—say, the conference has lunch because there is a speaker—they are supposed to deduct that lunch piece of per diem. It is a manual calculation, and it looks like—and those were the cases in the IG report that it was not done.

So we have reinforced training, both of the travelers, but also each one of those is approved by an approving official to look for those type of things and make sure they are done properly.

Mr. CARNEY. Oh, so these approving officials were not consistent throughout the Department? Is that a problem?

Ms. DUKE. The supervisor or someone in the chain of command is usually the approving official for both the travel and the travel voucher.

Mr. CARNEY. Okay. But within the various agencies within the Department, there is not consistency or there hasn't been?

Ms. DUKE. Correct, in terms of how much—how, I guess, closely they look at those and didn't—obviously, there were some approv-

ing officials that didn't notice that, so they weren't looking at them closely enough.

Mr. CARNEY. Please tell me this is getting fixed.

Ms. DUKE. It is.

Mr. CARNEY. Okay, thank you.

Mr. Mann.

Mr. MANN. I am not certain at all employees are aware of the travel regulations and what they actually need to deduct. That in our mind is a training issue.

Of course, there could be employees who are very knowledgeable about the system and figure out a way to get a few extra dollars. I mean, we can't discount that. But I seriously—I think it is a training issue more than an issue of individuals trying to capitalize on free meals.

Mr. CARNEY. Okay, thanks.

Ms. Duke, the news reports indicate that, in 2008, DHS spending on travel was second only to the Department of Defense. Obviously, we all agree that we have a need for legitimate travel and the conferences are valuable and that sort of thing.

When you get that big of a number, I mean, when we close in on DOD numbers, how can we be sure that we are getting the kind of value that we need, that there are not folks gaming the system, that we are not being—sending folks to four-star hotels when three-star or two-star would do? You know, how do we make sure that happens?

Ms. DUKE. Well, I think two of the steps we have taken—one is centralizing that under an accountable official in each component and, secondly, just the cultural change of really scrutinizing it.

I think it was—under the efficiency reviews, there has been a real cultural change to really look at travel, the necessity, and also the cost of it. We just have to continue that cultural change.

Mr. CARNEY. So the time of DHS before the study was done, the 2005 to 2007 time frame, anything—and actually including those times—there was not the guidance, there was nothing in place that was built into the system of DHS for travel and conferences?

Ms. DUKE. There were a few policies out, but they were disjointed. The first time it was aggregated into one policy was in 2008 in the financial manual, and that was Department-wide.

Mr. CARNEY. Okay. Mr. Mann, from your perspective and that of the IG's, do you think DHS now is tracking properly and has recalibrated the way they need to do this?

Mr. MANN. Well, first of all, I would like to commend Ms. Duke and her staff and actually all those individuals who we interacted with during the study for cooperation. We recognized that that time period, 2005 to 2007, was—well, DHS is still just 7 years old, was even younger then.

With the number of entities that were pulled together, the mission being what it was, maybe not excusable, but certainly understandable how the travel situation got to be the way that it is.

With the initiative of the October 2008 guidance, we believe that DHS is on the right track to recovering and preventing future occurrences of the same sorts of things that we have identified in our report.

Mr. CARNEY. We will be interested in a couple of years to see how it has worked out.

Mr. Bilirakis for 5 minutes, if you have questions.

Mr. BILIRAKIS. Thank you, Mr. Chair. I appreciate it.

I understand from January 1 through September 30 of last year, the Committee on Homeland Security spent $73,000 on travel-related expenditures. This amount, as you stated, Mr. Chairman, the spending exceeds the travel expenditures of all the other House committees, with the exception of the Appropriations Committee.

This past August 14, the committee staffers traveled to Australia and Thailand. While I am sure there were many benefits to this staff travel, we must ask ourselves the same questions that we are asking the Department: Was this necessary and reasonable?

I also find it ironic that at the same time the subcommittee was originally scheduled to hold this hearing, of course, travel and—"Furthering the Mission or Having Fun,"—staff from the Department was traveling with staff from this committee to, among places, Las Vegas, at a likely cost of tens of thousands of taxpayers' dollars.

I don't doubt the value of the information of this trip provided to our committee and staff, but I wonder whether we could find maybe a more appropriate venue, maybe something closer to Washington, DC.

I have a question for Secretary Duke. How will elements of the administration's recently released fiscal year 2011 budget request for the Department of Homeland Security assist you in better regulating conference and traveling expenses?

Ms. DUKE. Probably the biggest is the budget request has—does have funding for TAS, which is our financial system, to collect the data that would give the right amount of visibility that is virtually impossible with the current systems. Again, even with the centralization, it is manual, so that is the probably the element of the budget that would help us.

Mr. BILIRAKIS. What mechanism does the Department have to recoup in properly provided funding?

Ms. DUKE. Well, in terms of, if we improperly pay invoices, we do have an auditing system for that and can recoup that way. For employees, if we—when we audit travel vouchers, we do have the ability to have them repay or we can garnish their wages if it is found that they were overpaid for a travel claim.

Mr. BILIRAKIS. Okay, thank you very much.

I will yield back, Mr. Chairman.

Mr. CARNEY. Mr. Green for another 5 minutes.

Mr. GREEN. Thank you, Mr. Chairman.

Back to the list, I was starting at the top, and I would like to now move to the bottom of the list. There is an indication that some employees received black belt three training, and there is an amount listed, but was the training legitimate training? Is that related to the jobs that they perform?

Ms. DUKE. That one I am not familiar with, Mr. Green. I would have to get back for the record. I don't know what that training is.

Mr. GREEN. Okay. I will tell you that my feelings are somewhat ambivalent, as I go through the material, and ambivalent because if they are legitimate conferences where legitimate training is tak-

ing place, I do understand that we have to account for the dollars and cents that are spent.

But on the other hand, I understand that legitimate conferences don't always take place in my State or at a place that is convenient for me. So we sometimes find ourselves in places that ordinarily we might not travel to, but if it is for a legitimate reason, a legitimate conference with legitimate training, then—and it is something that is needed and related to the job, I am a little bit concerned that I don't create an atmosphere where persons won't be permitted to go to legitimate conferences for legitimate training that would be job-related.

I have a concern. So that is my concern, as I listen to what is being said. There are some places that, because of the glamour and the lights and the—and the things that happen at night after training, that probably some people might think are just bad places to be.

But on the other hand, if it is a legitimate conference for legitimate training and you legitimately are saving money by going there as opposed to some place else or you got a good deal for the taxpayer—and I am talking about a good deal—then I am reluctant to be critical if it is all legitimate and it is for the benefit of the taxpayers, ultimately, because someone has received some training.

When we do this, I just want to be careful. I will speak for myself. I want to be careful not to overreact. I think that there is a genuine reason to react here, no question about it, legitimate reasons for reaction because of the disparity because the numbers that were submitted to Congress and the actual numbers that were dollars that were spent. I think those are legitimate reasons.

On the other hand, I don't want us to get to a point where we don't get people to places where they can receive training that will benefit the taxpayers and they not go for fear that there will be some sort of reprisal, some sort of—it would become a part of some list and, as a result, it will in some way damage or tarnish your image by going.

I am not standing up for anything that was wrong, anything wrong that was done. I am a person, however, who has seen enough in life to know that people sometimes will do things that are beneficial that other people don't always understand.

So the reason I was giving you an opportunity to respond to these, because these kind of stand out, and I thought that an explanation of what was actually going on would be beneficial to those employees who may be under some sort of scrutiny because of the actual conference that was attended.

If you would look into those that I have called to your attention, all on this page? Would you kindly respond to me in writing on these, since you were—I know that you were caught off-guard. You weren't expecting this specific list, and that is understandable. I don't want you to be demeaned in any way, because you didn't have this specific list.

So now that you have it, would you kindly respond in writing? That way I will be able to give explanations as needed.

I want to commit this to you: If it is legitimate, and it is to benefit the taxpayers, and the employee was there, and other things

aside that have to be corrected, I will work with you on these things that are legitimate. Thank you very much.

Ms. DUKE. Thank you.

Mr. CARNEY. Thank you, Mr. Green.

I do want to echo what Mr. Green was saying. I think it is important that we be able to track and account for what is spent. No one, as I said before, wants to see conferences end. There is value in them. There is value in travel. There is value to going to Las Vegas, actually, and looking at the Predators and the programs out there, as long as it is legitimate. You know, that is not an issue.

We don't want to get ourselves in a position where people are looked at with jaundiced eye because of doing this. If we can't account for it, you can justify the jaundiced eye.

I certainly hope that the person who said we don't have accountability in this because we have unlimited spending has been educated otherwise now and is doing business differently.

The truth is, every one of us behind this podium and at your seats, you know, are responsible for the taxpayers' dollars. I think it is fair to say that, for the first 7 years of DHS's existence, that responsibility among some wasn't taken very lightly—was taken very lightly, wasn't taken very seriously.

We are going to change that. This subcommittee, this committee, you and I are going to change that. You know, the taxpayers need to know that—especially in times like this—that the monies that they are spending to keep this Government running are being spent well and wisely and to keep us safe.

I appreciate you both coming here. I imagine there is going to be lots of other questions that have been generated by this line of questioning and your answers. I would—if so, I would certainly appreciate written responses in a very timely fashion.

Thank you both for coming. I appreciate it. The subcommittee stands adjourned.

[Whereupon, at 12:10 p.m., the subcommittee was adjourned.]

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