

FINDINGS FROM THE FEDERAL FINANCIAL MANAGEMENT SUBCOMMITTEE:

Hearing: Round 2: Federal Agencies and Conference Spending

Date: 9/14/06

MAJOR FINDINGS

- The federal government has spent over \$2 Billion on meetings and travel since 2000.
- Overall Department spending on meetings and travel has increased over 60% since 2000 (down from 70+% using FY05 levels)
- The majority of agencies assume annual increases in meetings and travel spending, a nonessential activity, and have been spending accordingly. Only 3 agencies spent less on conference travel in 2006 than they did in 2005 (HUD, USAID and Treasury).
- Most agencies have seen a large increase in such spending since 2000:
 - Department of Education: 246%
 - Department of Agriculture: 175%
 - HUD: 142%
 - USAID: 98%
- There is evidence that bureaucrats allow the destination to drive the decision to attend a conference rather than the agency mission. Many meetings and conferences are set in beach, resort, or casino areas. It can be said that such “business trips” offer free tickets for personal vacations and recreational travel.
- The Department of Commerce sent 31 people to Greece for the International Sea Turtle Symposium at a cost of \$84,000. Between the 31 attendees, they took 81 days of annual leave.
- The Department of Interior spent \$722,000 to send 125 employees to a 4-day conference just 70 miles outside of D.C.
- The Department of Agriculture sent 550 people to a Rural Development Conference in Oregon.
- Agencies conceded that they do not track this activity in any organized way, nor do they consider staff salary or lost productivity in their cost estimates.
- Per diem rates exceed true cost of daily expenses, and allow federal employees to make money on their business travel.

IMPACT ON TAXPAYERS

- Few efforts are made to spare taxpayers the cost of nonessential travel. In fact, taxpayers are getting hit twice since most agencies have invested in high-priced teleconference equipment to reduce the need for travel but continue to attend more conferences each year.
- Taxpayers are forced to subsidize conferences with agendas at odds with their values and interests.
- Taxpayers pay to send bureaucrats on nonessential trips that they certainly couldn't afford themselves.

THESE FINDINGS DEMAND A RESPONSE:

- Agencies must establish a formal vetting process for conference requests so that every conference is readily defensible in terms of topic, location and participants.
- Technology should reduce conference and meeting spending.
- Agencies must track meeting support and participation transparently and comprehensively and post all information on the web.

FOLLOW-UP

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