



SECRETARY OF THE ARMY  
WASHINGTON

03 AUG 2012

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Continued Scrutiny of Conferences

1. References:

a. Memorandum, Deputy Secretary of Defense, 3 Jun 12, subject: Implementation of May 11, 2012, Office of Management and Budget Memorandum, "Promoting Efficient Spending to Support Agency Operations" (enclosure).

b. Memorandum, AASA, 21 May 12, subject: Revised Guidance Related to Conferences Based on Direction from the Office of Management and Budget (OMB).

c. Army Directive 2011-20 (Department of the Army Conferences), 14 Oct 11.

2. In April 2011, I initiated an Armywide effort to improve controls and reduce expenses associated with our conference-related activities. Since then, agencies across the Federal Government have begun to scrutinize their conference policies and practices. In May 2012, OMB issued a memorandum mandating enhanced accountability for conference reviews and expenditures; subsequently, the Office of the Secretary of Defense (OSD) issued guidance requiring approval for conferences—both those we host and those we attend—at higher levels of leadership (reference 1a). Although the Army has made great strides in curtailing conference costs, we must do even more to reduce both the number and costs of conferences we host or attend. We must continue to aggressively change the conference mindset and culture—appropriately pursuing events that are critical to mission accomplishment while simultaneously minimizing expenses to taxpayers.

3. As I review conference requests, I am noticing a few issues that warrant our focused attention as we endeavor to adhere to published guidance and intent. Specifically:

a. The need for each conference must be indisputable. As reference 1a states, if the event does not "significantly further the mission of our Department," then it should not proceed. While virtually all conferences have some benefit and add value to a degree, senior leaders must carefully review the cost of the event against the expected benefit. Assess, in deliberate fashion, whether a conference significantly furthers the mission of your command, organization or activity. Discretionary and "nice to have" events that engender networking, information sharing or professional development in a general sense normally will not meet this standard. Importantly, because a majority of our events are recurring, the benefit or return on investment (or lack thereof) should be both known and quantifiable. After action reviews from previous events should inform

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decision-makers on the costs and benefits of hosting or attending like events in the future and, if so, with what frequency.

b. Costs must be kept to an absolute minimum. When a conference requirement is established, I insist on the strictest cost controls. The minimum number of attendees should be approved, travel must be minimized and Government-owned facilities must receive first consideration for conference venues.

c. Applicable regulations and laws must be adhered to at all times. Army Directive 2011-20 lays out strict controls on items such as food and beverages; as many of you have pointed out, our conference policy is stricter than the law requires. However, I want the Army to continue leading the way in applying prudent fiscal constraints on our conference activities. The taxpayers we serve deserve nothing less.

d. Perception must be constantly considered. More than ever, the public is aware of everything we do regarding conferences. Each of us must work to avoid the actual or perceived misuse of scarce taxpayer dollars. All conference site selections must be scrutinized and represent competitive best value, agendas must be robust and demanding, and conference descriptors should be conservative and proper (use of phrases like “biggest ever,” “extravaganza” or “come join the fun” could lead to a perception that the conference is not mission-focused).

4. In response to reference 1a, I direct the following:

a. Conferences With Costs Exceeding \$500,000. These conferences are generally prohibited. All Army commands, organizations and activities planning conferences or sending individuals to conferences must make every effort to structure the events or limit individual attendance so as not to exceed this ceiling. This direction absolutely does not imply that you should fragment large events into smaller conferences that individually are below the \$500,000 threshold. Further, if you determine that exceptional circumstances exist where spending in excess of \$500,000 on a single conference is the most cost-effective option to achieve a compelling purpose, you may forward a request for a waiver through the Administrative Assistant to the Secretary of the Army to me for review. Only the Deputy Secretary of Defense can approve waivers to incur costs in excess of \$500,000 on a single conference.

b. Conferences With Costs Between \$100,000 and \$500,000. All Army commands, organizations and activities will more comprehensively and consistently review conferences to minimize both the number and costs. In addition, until OSD releases further conference guidance, conferences with costs between \$100,000 and \$500,000 must be routed through the Administrative Assistant to me and then to the OSD Deputy Chief Management Officer for decision. Given the approval levels associated with conferences, it is imperative that the sponsoring Army command, organization or activity

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submit a complete and fully coordinated conference request through the appropriate chain of command or supervision no later than 90 days before the proposed start date of the conference.

c. Conferences With Costs Less Than \$100,000. Delegated authority for conferences with net costs less than \$100,000 remains unchanged at this time. However, commands, organizations and activities will review their delegations and make sure appropriate controls are in place. These smaller conferences shall strictly comply with all applicable guidance, including the requirements that the conference must significantly further the organizational mission and that associated expenses and activities comply with applicable travel, conference and acquisition regulations.

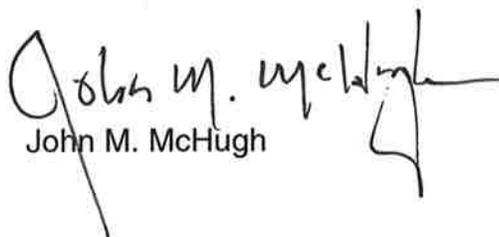
d. Conferences Sponsored or Hosted by Other Federal or Non-Federal Entities. Reference 1a requires that the Services now account for aggregate Service-incurred costs associated with Army attendance at conferences sponsored by other Federal or non-Federal entities when total costs are expected to exceed \$100,000. Where practical, the Administrative Assistant will assign functional leads for conferences when total Army costs are projected to exceed \$100,000.

(1) The functional lead is responsible for submitting a conference request packet to the Administrative Assistant. In addition to the purpose and projected cost of the conference, the request packet must include attendance guidance applicable to the Army as a whole that limits participation to only those personnel whose attendance will significantly further the Army mission. However, if OSD has designated a single Department of Defense entity as the conference lead for the entire Department, a separate Army request packet is not necessary.

(2) Army commands, organizations and activities will ensure that appropriate approval mechanisms are in place for individual temporary duty requests and that approval authorities strictly apply the same guidance we use to assess the value of the conference as a whole: An individual's travel to attend a conference must significantly further the mission, and the expenses associated with such travel must comply with all applicable travel, conference and acquisition regulations.

5. I direct each Army senior leader and all other Army personnel involved with conference planning or attendance to thoroughly review the referenced documents. Direct any questions about the OMB memorandum or follow-on guidance to your legal advisor or the Office of the Administrative Assistant.

Encl

  
John M. McHugh

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