DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

SEP 2 9 2012

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Implementation of Conference Oversight Requirements and Delegation of Conference Approval Authority

On May 11, 2012, the Office of Management and Budget (OMB) issued a memorandum to promote further efficiency and cost consciousness in the Federal government's operations. OMB's memorandum established new requirements in a number of areas, including travel and conferences. This direction was initially implemented by a Deputy Secretary of Defense memorandum dated June 3, 2012. The sections of that memorandum that deal with conferences are hereby cancelled. Even with the Department's steadfast efforts to be an excellent steward of taxpayer dollars and our continuing implementation of the Secretary's Efficiencies Initiative and President Obama's Campaign to Cut Waste, we must do more to ensure that conference policies and controls are in place to prevent waste, duplication, and abuse. OMB's memorandum requires specific actions by each executive department and agency to increase scrutiny of conference spending and elevate approval authority for conference hosting and attendance. The intent of these requirements is not to negatively impact operations critical to the day-to-day execution of our national security mission, but rather to ensure that conferences the Department sponsors are executed in a responsible manner and that we are prudent when sending personnel to conferences hosted by others, to include validating that a conference is a necessary and cost-effective way to achieve a particular mission objective.

In recognition of DoD's unique size and complexity, I am implementing a tiered approval structure to assist me in carrying out my conference oversight responsibilities. This structure builds upon the existing foundation of trust and accountability already in place for senior civilian and military leaders, who have responsibility for billions of taxpayer dollars and hundreds of thousands of our service members lives. It calls on them to assist with the proper administration and oversight of all conferences, including conferences that the Department hosts and those that DoD personnel attend. While the Secretary and I remain accountable for all of the Department's conference related activities, a small set of the Department's senior leaders will have the authority to approve and grant waivers in exceptional circumstances, as required by the OMB memo, for any conference with a total cost to the Department above $500,000. These officials will also act as the approval authorities for all conferences, regardless of total cost, that involve a co-sponsorship relationship or no-cost contract with a non-Federal entity and/or a request for approval of spousal travel – as well as for all conferences hosted by a non-DoD entity where the total cost of attendance to their DoD Component exceeds $20,000. Additionally, these senior leaders will have the ability to further delegate, in writing, approval authority to additional identified officials for any conference that DoD hosts with a total cost to DoD between $100,000 and $500,000. These same senior leaders will also have the ability to delegate approval authority, in writing, for conferences that the DoD hosts with a total cost below $100,000, as well as for all conferences hosted by a non-DoD entity where the total cost of attendance to their Component is $20,000 or below, to appropriate General Officers/Flag Officers or members of the Senior

Executive Service in their organization. Attachment 1 provides a detailed list of these authorized approval authorities and my expectations for them. Additional delegation is not permitted. Authorized senior leaders may choose not to extend delegation to the extent authorized by this memorandum. In the case of a conference that is considered to be particularly high visibility or exhibits unusual circumstances, DoD Components should inform the Deputy Chief Management Officer of the circumstances of the conference and the DoD Component's approval decision. The Deputy Chief Management Officer will assist in establishing and executing the necessary processes to implement this guidance and will issue additional implementing guidance as necessary.

For the purpose of this guidance, a conference will be defined by the general definition in the Joint Travel Regulations (JTR) and Joint Federal Travel Regulations, with certain exemptions. These exemptions account for the fact that the JTR's definition encompasses many types of travel and gatherings that are essential parts of the day-to-day operations of the Department's business and would be understood by the American taxpayer as not being the type of conference that warrants enhanced scrutiny. Attachment 2 provides this detailed exemptions list, as well as additional information to assist in determining whether particular activities qualify as conferences subject to this guidance.

Attachment 3 provides guidance regarding the calculation of conference costs. Entertainment-related expenses are expressly prohibited as part of DoD conferences.

The Secretary and I will maintain visibility and accountability through Component reporting on at least a quarterly basis; annual and quarterly reporting requirements are described in Attachment 4.

Finally, it is my intent that the Department continue to utilize existing tools, such as the Defense Travel System and the Cost Assessment and Program Evaluation cost calculators for hosting and attending events, modified as necessary, to execute this guidance to the greatest extent possible. The Deputy Chief Management Officer will assist in ensuring that the necessary modifications are made to existing tools and new tools are developed as needed.

My point of contact for this issue is the Honorable Elizabeth McGrath, Deputy Chief Management Officer, at elizabeth.mcgrath@osd.mil or 703-614-8888.

Ashton B. Carter

Attachments:
As stated

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ATTACHMENT 1

RESPONSIBILITIES

1. SECRETARY AND DEPUTY SECRETARY OF DEFENSE. The Secretary and Deputy Secretary of Defense are accountable for all of the Department's conference related activities. They will oversee DoD's conference policies and controls and maintain visibility and accountability for the conduct of conferences hosted by the Department and attended by Department employees through Component reporting on at least a quarterly basis and escalation procedures for unusual circumstances.

2. APPROVAL AUTHORITIES. Approval authorities must ensure compliance with all applicable law and policy in making their authorizations and therefore may not approve a conference without coordination with appropriate legal counsel. Approval authorities must also maintain electronic records of documentation used in making their decisions. Additionally, approval authorities must sign a waiver/approval memorandum for each conference approved and maintain electronic copies of these memoranda. If, as the date of the conference approaches, it becomes apparent that its cost will exceed the estimated cost and breach the next higher approval threshold, approval must be obtained from the higher level approval authority as soon as possible.

a. Conference alternatives. When making conference approval decisions, approval authorities must confirm that physical colocation of DoD employees in a conference setting is necessary and cost-effective and consider alternative means of delivering the relevant information, including usage of remote collaboration tools (e.g., teleconferencing, videoconferencing, webinars, online sharing applications) and other real-time communication methods that would mitigate the need for physical colocation of DoD employees. While determinations should be made on a case-by-case basis, there are many circumstances where the proliferation of these tools and technologies may make physical colocation unnecessary, and such circumstances warrant increased scrutiny before moving forward with a conference. Examples could include conferences designed to provide professional development needed to keep skills current for human resources, accounting, procurement, or other government professionals. By contrast, there may be limited circumstances where physical colocation remains necessary, such as bringing together law enforcement officials to conduct practical training on how to examine a crime scene, or conducting hands-on analysis of scientific research. However, approval authorities should begin their reviews by presuming that physical colocation as part of a conference is not required in the majority of cases.

b. Prohibited conference expenses. Entertainment-related expenses are expressly prohibited as part of DoD conferences, and approval authorities must ensure that funds, including those paid through travel disbursements or conference fees, are not used to pay such expenses. Illustrative examples of entertainment-related expenses that are prohibited include paying for motivational speakers (as contrasted to speakers with specific subject-matter expertise in the topic of the conference), hiring musicians or other entertainers to perform at conferences, procuring extraneous promotional items, decorations, or other goods and services for participants that are unrelated to the purpose of the conference, procuring tickets to recreational activities outside of the conference setting, or using funds to produce non-substantive audio/visual materials. Common sense and good judgment must be used throughout the conference planning process. If there is any doubt as to the appropriateness of certain expenses, coordinate with appropriate officials, including legal counsel.

c. Jointly hosted conferences. In the case where more than one DoD Component is hosting a conference jointly, those Components should designate one of the Components to obtain approval for the conference through their Component's appropriate approval authority on behalf of the entire Department.

d. Escalation circumstances. All conferences, regardless of dollar amount, that involve a co-sponsorship relationship or no-cost contract (or other similar arrangement such as a Memorandum of Understanding) with a non-Federal entity and/or a request for approval of spousal travel – as well as all conferences hosted by a non-DoD entity where the total cost of attendance to a DoD Component exceeds $20,000 – must be approved by the appropriate approval authorities listed in section 2(f).

In many cases, multiple DoD Components will send personnel to the same non-DoD entity hosted conference. Each Component will be responsible for approving their personnel through the appropriate approval authority in section 2(f) if the total cost of attendance to the Component exceeds $20,000, or through an appropriate General Officer/Flag Officer or member of the Senior Executive Service if the total cost of attendance to the Component is $20,000 or below and if so delegated under section 2(h). This will result in multiple approval memos for the same conference, one for each Component sending personnel. As the Department improves its ability to more effectively aggregate DoD-wide participation in non-DoD entity hosted conferences prior to their taking place, the Deputy Chief Management Officer may designate executive agents to act as approval authorities for specific conferences and authorize the further delegation of approval authority for non-Federal entity hosted conferences as appropriate.

In the case of a conference that is considered to be particularly high visibility or exhibits unusual circumstances, DoD Components should inform the Deputy Chief Management Officer of the circumstances of the conference and the DoD Component's approval decision.

e. Approval timing. Organizations should not finalize conference plans or make any commitments to vendors or hotels that obligate the government to pay appropriated funds until the requisite approval from the appropriate approval authority has been obtained. This includes commitments addressing costs if a conference is cancelled or where DoD participation may need to be withdrawn. Further, DoD entities should not enter into a co-sponsorship relationship, no-cost contract, or other arrangement with a non-Federal entity until the requisite approval has been obtained. Since this approval will normally occur early in the conference planning stages, the approval authority shall exercise continuing oversight of the conferences as necessary to ensure that the entire conference is being carried out in a manner that is fully consistent with this guidance.

f. Conferences over $500,000. For conferences that the Department hosts with a total cost in excess of $500,000, the officials designated below are authorized to act as approval authorities without further delegation. *These officials will also act as the approval authorities for all conferences, regardless of total cost, that involve a co-sponsorship relationship or no-cost contract with a non-Federal entity and/or a request for approval of spousal travel – as well as for all conferences hosted by a non-DoD entity where the total cost of attendance to their DoD Component exceeds $20,000.*

(1) For conferences hosted by or with attendees from the Department of the Army:

(a) Secretary of the Army
(b) Under Secretary of the Army

(2) For conferences hosted by or with attendees from the Department of the Navy:

(a) Secretary of the Navy
(b) Under Secretary of the Navy

(3) For conferences hosted by or with attendees from the Department of the Air Force:

(a) Secretary of the Air Force
(b) Under Secretary of the Air Force

(4) For conferences hosted by or with attendees from the National Guard Bureau that are joint Army National Guard and Air National Guard conferences:

(a) Chief, National Guard Bureau

(5) For conferences hosted by or with attendees from the Office of the Secretary of Defense and Defense Agencies and Field Activities that do not report to one of the Under Secretaries of Defense:

(a) Deputy Chief Management Officer

(6) For conferences hosted by or with attendees from Defense Agencies and Field Activities that report to one of the Under Secretaries of Defense, the following officials may approve conferences for those organizations under their purview:

(a) Under Secretary of Defense (Acquisition, Technology & Logistics)
(b) Under Secretary of Defense (Policy)
(c) Under Secretary of Defense (Comptroller)
(d) Under Secretary of Defense (Personnel & Readiness)
(e) Under Secretary of Defense (Intelligence)

(7) For conferences hosted by or with attendees from the Joint Chiefs of Staff:

(a) Director, Joint Staff

(8) For conferences hosted by or with attendees from the Combatant Commands:

(a) Commander, US Africa Command
(b) Commander, US Central Command
(c) Commander, US European Command
(d) Commander, US Northern Command
(e) Commander, US Pacific Command
(f) Commander, US Southern Command
(g) Commander, US Special Operations Command
(h) Commander, US Strategic Command
(i) Commander, US Transportation Command

g. Conferences between $100,000 and $500,000. For conferences that the Department hosts with a total cost between $100,000 and $500,000, the officials indicated in section 2(f) may delegate approval authority to the officials below. Delegation must be granted in writing. No further delegation is permitted.

(1) For conferences hosted by the Department of the Army:

(a) Assistant Secretary of the Army (Acquisition, Logistics, and Technology)
(b) Assistant Secretary of the Army (Civil Works)
(c) Assistant Secretary of the Army (Financial Management and Comptroller)
(d) Assistant Secretary of the Army (Installations and Environment)
(e) Assistant Secretary of the Army (Manpower and Reserve Affairs)
(f) Army General Counsel
(g) Commander, US Army Forces Command
(h) Commander, US Army Training and Doctrine Command
(i) Commander, US Army Materiel Command
(j) Director, Army National Guard
(k) Commander, US Army Reserve Command
(l) Administrative Assistant to the Secretary of the Army

(2) For conferences hosted by the Department of the Navy:

(a) Assistant Secretary of the Navy, Research, Development & Acquisition
(b) Assistant Secretary of the Navy, Manpower & Reserve Affairs
(c) Assistant Secretary of the Navy, Financial Management & Comptroller
(d) Assistant Secretary of the Navy, Energy, Installations & Environment
(e) General Counsel to the Department of the Navy
(f) Assistant for Administration to the Secretary of the Navy
(g) Director of the Navy Staff
(h) Director of the Marine Corps Staff

(3) For conferences hosted by the Department of the Air Force:

(a) Vice Commander, Air Combat Command
(b) Vice Commander, Pacific Air Forces
(c) Vice Commander, United States Air Forces in Europe
(d) Vice Commander, Air Force Special Operations Command
(e) Vice Commander, Air Education and Training Command
(f) Vice Commander, Air Mobility Command
(g) Vice Commander, Air Force Global Strike Command
(h) Vice Commander, Air Force Materiel Command
(i) Vice Commander, Air Force Reserve Command
(j) Vice Commander, Air Force Space Command
(k) Director, Air National Guard
(l) Superintendent, United States Air Force Academy

(m) Commander, Air Force Operational Test and Evaluation Center
(n) Administrative Assistant to the Secretary of the Air Force

(4) For conferences hosted by the National Guard Bureau that are joint Army National Guard and Air National Guard conferences:

(a) Vice Chief, National Guard Bureau (For Joint ARNG and ANG Only)

(5) For conferences hosted by the Office of the Secretary of Defense:

(a) Under Secretary of Defense (Acquisition, Technology & Logistics)
(b) Principal Deputy Under Secretary of Defense (Acquisition, Technology & Logistics)
(c) Under Secretary of Defense (Policy)
(d) Principal Deputy Under Secretary of Defense (Policy)
(e) Under Secretary of Defense (Comptroller)
(f) Principal Deputy Under Secretary of Defense (Comptroller)
(g) Under Secretary of Defense (Personnel & Readiness)
(h) Principal Deputy Under Secretary of Defense (Personnel & Readiness)
(i) Under Secretary of Defense (Intelligence)
(j) Principal Deputy Under Secretary of Defense (Intelligence)
(k) Deputy Chief Management Officer
(l) Assistant Deputy Chief Management Officer
(m) Assistant Secretary of Defense (Public Affairs)
(n) Assistant Secretary of Defense (Legislative Affairs)
(o) DoD Chief Information Officer
(p) Director, Cost Assessment and Program Evaluation
(q) Director, Administration & Management
(r) Director, Net Assessment
(s) Director, Operational Test & Evaluation
(t) DoD General Counsel
(u) DoD Inspector General

(6) For conferences hosted by the Defense Agencies and Field Activities:

(a) Director, DARPA
(b) Director, DeCA
(c) Director, DCAA
(d) Director, DCMA
(e) Director, DFAS

(f) Director, DISA
(g) Director, DIA
(h) Director, DLSA
(i) Director, DLA
(j) Director, DSCA
(k) Director, DSS
(l) Director, DTRA
(m) Director, MDA
(n) Director, NGA
(o) Director, NRO
(p) Director, NSA
(q) Director, PFPA
(r) Director, DMA
(s) Director, DPMO
(t) Director, DTIC
(u) Director, DTSA
(v) Director, DoDEA
(w) Director, DoDHRA
(x) Director, TRMC
(y) Director, TMA
(z) Director, OEA
(aa) Director, WHS

(7) For conferences hosted by the Joint Chiefs of Staff:

(a) Vice Director, Joint Staff

(8) For conferences hosted by the Combatant Commands:

(a) Deputy Commander, US Africa Command
(b) Deputy Commander, US Central Command
(c) Deputy Commander, US European Command
(d) Deputy Commander, US Northern Command
(e) Deputy Commander, US Pacific Command
(f) Deputy Commander, US Southern Command
(g) Deputy Commander, US Special Operations Command
(h) Deputy Commander, US Strategic Command
(i) Deputy Commander, US Transportation Command

h. Conferences below $100,000. For conferences that the Department hosts with a total cost below $100,000, as well as for all conferences hosted by a non-DoD entity where the total cost of attendance to their DoD Component is $20,000 or below, the officials indicated in section 2(f) may delegate approval authority at their discretion to appropriate General Officers/Flag Officers/Senior Executive Service members in their organization. Delegation must be granted in writing. No further delegation is permitted.

ATTACHMENT 2

DETERMINATION OF A CONFERENCE

1. General Definition. "Conference" is defined in the Federal Travel Regulation, Joint Federal Travel Regulations, and Joint Travel Regulations as, "[a] meeting, retreat, seminar, symposium, or event that involves attendee travel. The term 'conference' also applies to training activities that are considered to be conferences under 5 CFR 410.404." However, this definition is only a starting point. What constitutes a conference for the purpose of this guidance is a fact-based determination based on an evaluation of the criteria established in this attachment.

2. Additional Indicia of Conferences. Conferences subject to this guidance are also often referred to by names other than "conference." Other common terms used include conventions, expositions, symposiums, seminars, workshops, or exhibitions. They typically involve topical matters of interest to, and the participation of, multiple agencies and/or nongovernmental participations. Indicia of a formal conference often include but are not limited to registration, registration fees, a published substantive agenda, and scheduled speakers or discussion panels. Individual events may qualify as conferences without meeting all of the indicia listed above, but will generally meet some of them. Please note that some training events may qualify as conferences for the purposes of this guidance, particularly if they take place in a hotel or conference center.

3. Local Conferences. Events within the local duty location that do not require advance travel authorization may also qualify as a conference for the purposes of this guidance if the event exhibits other key indicia of a conference, especially the payment of a registration, exhibitor, sponsor, or conference fee.

4. Exemptions. For the purposes of this guidance, the exemptions below apply and these types of activities should not be considered to be conferences even if the event meets the general definition of conference in section 1 above. Even where an event is considered exempt from this guidance, organizations are expected to continue to apply strict scrutiny to DoD's participation to ensure the best use of government funds and adherence with not only all applicable laws and policy, but the underlying spirit or principles, including ensuring that only personnel attend events that have a mission-essential need to do so, that expenses be kept to a minimum, and that participation in any associated social events be limited and restrained to the greatest degree practicable to avoid the appearance of impropriety. Exemptions from this guidance should be granted sparingly and only when events fully meet the definition and intent of the criteria below:

a. Meetings necessary to carry out statutory command and staff oversight functions. This exemption would include activities such as investigations, inspections, audits, or non-conference planning site visits.

b. Meetings to consider internal agency business matters held in government/military facilities. This exemption would include activities such as meetings that take place as part of an organization's regular course of business, do not exhibit indicia of a formal conference as outlined above, and take place in a government/military facility.

c. Meetings necessary to carry out planning or execution of operational or operational exercise activities or pre-deployment, deployment, or post-deployment activities. This exemption would include activities such as planning and preparation for, as well as execution of, war games, military exercises, and operational deployments.

d. Bi-lateral and multi-lateral international cooperation engagements that do not exhibit indicia of a formal conference as outlined above, focused on diplomatic relations. This exemption would include activities such as International Military Education and Training events, Traditional Commander's Activities, and other regional assistance programs. It would also include the activities of the Department's Regional Security Centers that do not exhibit indicia of a formal conference as outlined above.

e. Formal classroom training held at government/military facilities. This exception would include activities such as regular courses of instruction or training seminars at the War Colleges, National Defense University, Judge Advocate General School, or Defense Acquisition University.

f. Change of command, award, funeral, or other such ceremonies held in government/military facilities.

g. Events where the primary purpose of DoD's participation is military recruiting and/or military recruitment advertising.

ATTACHMENT 3

DEFINITION OF CONFERENCE COSTS

1. Conference Expenses. The total expenses of a conference include all direct and indirect conference costs paid by the Department, in accordance with 41 CFR 301-74.2. Total expenses must include expenses paid by all Components within the Department, not just a single organization. For the purposes of this guidance, conference expenses include, but are not limited to:

   a. Authorized travel and per diem expenses

   b. Hire of rooms for official business

   c. Audiovisual and other equipment usage

   d. Computer and telephone access fees

   e. Light refreshments or other food and beverage

   f. Printing

   g. Registration, exhibitor, sponsor, or conference fees

   h. Ground transportation and/or parking fees

   i. Outlays for conference preparation and planning

   j. Speaker fees

   k. Administrative expenses

2. Exemptions. For the purposes of this guidance, the following expenses are exempted:

   a. Federal employee time for conference preparation and planning

   b. Federal employee time for attendance at the conference or en route

   c. Security costs to ensure the safety of attending governmental officials

3. Revenue. Revenue is all direct or indirect conference costs reimbursed to the Department. For the purpose of this guidance, revenue includes, but is not limited to:

a. Registration fees collected

b. Exhibitor fees collected

c. Sponsor fees collected

4. Total Conference Cost. Total conference cost should be the net value of any fees or revenue received by the Department through the conference.

5. Prohibited Conference Expenses. Entertainment-related expenses are expressly prohibited as part of DoD conferences.

ATTACHMENT 4

REPORTING

1. Annual Reporting. In accordance with OMB's memorandum, the following data will be reported publically on an annual basis for conferences which the Department ***hosts*** where the total expenses associated with the conference are in excess of $100,000. This data will be captured by each DoD Component and consolidated by the Deputy Chief Management Officer. Additional guidance will be issued by the Deputy Chief Management Officer, as necessary:

a. The name of the conference

b. The Component hosting the conference

c. Total conference expenses incurred by the agency for the conference

d. The location of the conference

e. The date of the conference

f. A brief explanation how the conference advanced the mission of the agency

g. The total number of individuals whose travel expenses or other conference expenses were paid by the agency

h. Copies of any waivers granted for conferences with a total cost in excess of $500,000

2. Quarterly Reporting. The following information will be reported to the Deputy Secretary of Defense on a quarterly basis for all conferences which the Department ***hosts or attends*** regardless of cost. This data will be captured by each DoD Component and consolidated by the Deputy Chief Management Officer. Additional guidance will be issued by the Deputy Chief Management Officer, as necessary:

a. The name of the conference

b. The Component or non-DoD entity hosting the conference

c. The approval authority who granted approval for the conference to proceed

d. Total conference expenses incurred by the Department for the conference

e. The location of the conference

f. The date of the conference

h. A brief explanation how the conference advanced the mission of the agency

i. The total number of individuals whose travel expenses or other conference expenses were paid by the Department.

j. Copies of any waivers granted for conferences with a total cost in excess of $500,000

k. The name of any non-Federal entity used for conference planning

l. Whether the conference involved spousal travel

m. Whether the conference involved co-sponsorship with a non-Federal entity

n. Whether the conference involved the use of a no-cost contract