



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

APR 4 2012

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Affirming the Department of Defense (DoD) Policies and Controls Regarding Conference Spending

- References: (a) Office of Management and Budget Memorandum, Subject: Eliminating Excess Conference Spending and Promoting Efficiency in Government, September 21, 2011
- (b) Cost Assessment and Program Evaluation Guidance, Subject: Cost of Hosting an Event Guidance Document, September 16, 2011
- (c) Cost Assessment and Program Evaluation Guidance, Subject: Cost of Attending an Event Guidance Document, September 16, 2011
- (d) Under Secretary of Defense (Personnel & Readiness) Memorandum, Subject: Conference Guidance in Support of the President's Campaign to Cut Waste, February 29, 2012

Beginning with the Department's efficiency initiative launched in May 2010, DoD has taken a hard, unsparing look at its organization and operations in an effort to reduce duplication, overhead, and excess, and instill a culture of savings and cost accountability across the enterprise. Getting as much defense capability and taxpayer value for every budget dollar as possible is important in any fiscal environment, but it takes on added importance in the current era of budget reductions. Through this effort, and also as part of our implementation of the Administration's Campaign to Cut Waste, the Department has sought to improve its policies and controls associated with conference-related activities and reduce associated expenses. On November 1, 2011, after a thorough review of those policies and controls, I certified to the Office of Management and Budget (OMB) that the Department had mitigated the risk of inappropriate spending practices with regard to conferences, in accordance with Reference (a).

Given recent evidence that inappropriate government conference spending has occurred in the U.S. government, it is essential that we recertify our conference-related policies and internal controls as appropriate and sufficient, and also review our conference-related activities for the past two years to identify instances of substantial deviation from those established policies. Therefore, each OSD Principal Staff Assistant (PSA) and head of each Military Department, Combatant Command, Defense Agency, and Field Activity will conduct a review of their Component's conference-related activities and execute the following:

- 1) Recertify that Component policies and controls for conference-related activities and expenses remain sufficient to mitigate the risk of inappropriate spending practices and unnecessary costs;



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2) Identify any instances of substantial deviation from established policies and controls in effect at the time of specific conferences dating from January 1, 2010, to the present and provide relevant details, including corrective actions;

3) Confirm that Component policies and controls, as well as training rules, have been or will soon be updated to incorporate recent relevant guidance, including References (b) through (d). Defense Agency and Field Activity responses should be submitted through their PSA.

These activities should be completed no later than May 7, 2012. Ms. Beth McGrath, Deputy Chief Management Officer for the Department, will follow up with more specific guidance. If you have additional questions, please contact her at elizabeth.mcgrath@osd.mil, or 703-614-8888.



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