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Titles of documents:	Quick Look Inspection of NGA Vehicle Fleet Management, Report No. OIGE 13-06, July 2013 NGA Procedures Governing Conferences and Nonoperational Travel, Report No. OIGE 13-07, August 2013
Source of document:	Freedom of Information Act Request National Geospatial-Intelligence Agency FOIA Requester Service Center 7500 GEOINT Drive, MS S01-EGM Springfield, Virginia 22150-7500 Fax: 571-558-3130 Email: FOIANGA@nga.mil Download FOIA request form PDF Online FOIA Request Public Access Link

U-027-15/OIG

February 10, 2015

SUBJECT: Freedom of Information Act Request (U-027-15/OIG//20140157F)

This is in response to your FOIA request for OIG inspection reports "… NGA vehicle fleet management and … review of nonoperational travel and conference related expenses."

Attached are the redacted copies of your requested inspection reports, "Quick Look Inspection of NGA Vehicle Fleet Management" Report No. OIGE 13-06 dated July 2013 and "NGA Procedures Governing Conferences and Nonoperational Travel" Report No. OIGE 13-07 dated August 2013. Note, the identities of any individuals who may have been identified in the reports were redacted in accordance with FOIA exemption (3) (material exempted from disclosure by statute); specifically 10 U.S.C. § 424 (limiting the release of NGA personnel information).

You may appeal these redactions in writing to the NGA Inspector General, the appellate authority, within 60 days from the date of this letter. The appeal, which should reference the above FOIA request number, may be sent to the Inspector General, National Geospatial-Intelligence Agency, Mail Stop N75-OIGC, 7500 GEOINT Drive, Springfield, VA 22150. Please include a copy of this letter with your appeal.

Fees associated with processing your FOIA request have been waived.

Sincerely,

Lenore N. Guthrie
Assistant Inspector General
for Plans and Programs
Initial Denial Authority

Enclosures as stated

NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY

Know the Earth... Show the Way... Understand the World

Office of Inspector General
Inspections Division

(U) Quick Look Inspection of NGA Vehicle Fleet Management

Report No. OIGE 13-06

July 2013

(U) Questions, Copies, Suggestions

(U) The Inspections Division, Office of Inspector General, NGA, prepared this report. If you have questions about the report or want to obtain additional copies, contact the Office of Inspector General, NGA.

(U) To suggest ideas for or request future inspections of NGA issues, contact the Office of Inspector General, NGA:

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NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY
7500 GEOINT Drive
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JUL 1 8 2013

MEMORANDUM FOR DIRECTOR, SECURITY AND INSTALLATIONS

SUBJECT: (U) Inspection Report on Vehicle Fleet Management
(Report Number OIGE13-06)

1. (U//~~FOUO~~) Enclosed is the NGA Office of Inspector General report on vehicle fleet management. The objective of this inspection was to assess the overall effectiveness and management oversight of the vehicle fleet at NGA.

2. (U//~~FOUO~~) The review of NGA's vehicle fleet management included the executive fleet, government U-Drive-It vehicles, and fuel card programs. We also conducted a fraud risk analysis of fuel cards. We identified three findings and made eight recommendations. SI's efforts to right-size the NGA fleet and the directorate's fiscal responsibility were positive. Especially noteworthy is the NGA U-Drive-It online tool for reserving official transportation, which streamlined the vehicle request process while cutting costs.

3. (U//~~FOUO~~) Please extend my appreciation to the fleet management staff for the support they provided to the inspection team. If you have questions or concerns, please contact ͏

Dawn R. Eilenberger
Inspector General

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Results in Brief: NGA's Vehicle Fleet Management

(U) What We Did

(U//) The Office of Inspector General (OIG) conducted an inspection of NGA's vehicle fleet program to assess its overall effectiveness and management oversight. The inspection focused on the NGA Taxi Service (NTS), U-Drive-It vehicles, and fuel card programs.

(U) What We Found

- (U//) The NGA Vehicle Management Program lacks standardized, written, internal processes and procedures.

- (U//) The Vehicle Fleet Program lacks a requirement for the periodic review of the complete Wright Express fuel card program that includes analysis of fuel transaction data.

- (U) Current vehicle fleet management accounting and reporting methods do not include a detailed transaction history on a per-vehicle basis.

(U) What We Recommend

(U) Based on the inspection results, we made eight recommendations to the Vehicle Fleet Manager and the Director, Security and Installations:

(U//) Develop written policies and procedures that specifically outline the organizational guidance necessary to ensure effective and efficient administration of the procurement, operation, maintenance, and use of motor vehicles.

(U) Develop vehicle operator training and require periodic reviews to ensure compliance with Federal and DoD guidance.

(U) Implement a vehicle safety program for the U-Drive-It and NTS fleets.

(U) Incorporate fuel card transaction data into the Component Program Manager's overall review of the WEX fuel card program.

(U) Update the Standard Operating Procedure, Fuel Card Logs, and Fuel Card User Statements of Understanding.

(U//) Review all vehicle invoices on a recurring basis and maintain the invoices, especially at noncore NGA sites.

(U) Track the accounting and recording of repair expenditures, showing total expenditures on a monthly and a cumulative basis.

(U//) Record monthly odometer readings, and validate them against the invoices prior to disbursing monthly payments.

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(U) CONTENTS

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(U) INTRODUCTION

(U//) An inspection team from the NGA Office of Inspector General (OIG) assessed the effectiveness and management oversight of the NGA Vehicle Fleet Program. On the basis of the inspection results, we made eight recommendations (appendix A). The scope and methodology are presented in appendix B.

(U) Background

(U//) *The Issue.* The Installation Operations Office, Logistics Office (SIOL), has primary responsibility for NGA fleet management, vehicle acquisition, and vehicle use programs. In the summer of 2012, the responsibility for vehicle fleet management was reassigned to the Security and Installations Directorate (SI) from the Office of the Executive Secretariat, Protocol Office. Over the past two years, NGA faced the simultaneous challenge of a major move to the NGA Campus East (NCE) and vehicle support for CONUS missions. Both challenges had to be considered while right-sizing the vehicle fleet and providing customer support to meet mission requirements. NGA also maintains multiple contract vehicles to support the various missions for its CONUS locations.

(U) *NGA Reservation System.* SI launched a U-Drive-It self-serve customer reservation system on its Web site, which serves NCE and the NGA Campus West (NCW). The online system allows NGA government employees, affiliates, military members, and approved contractors to reserve a vehicle up to 90 days in advance. The system requires minimal user time to operate and automatically generates an Outlook calendar meeting invitation and e-mail confirmation for each reservation. The e-mail acknowledges the reservation and contains site-specific instructions for picking up the vehicle. SI developed the system to gain efficiency by eliminating the need for in-person reservations at the Workforce Support Center. SI estimates that the program saves approximately $67,000 annually in labor costs.

(U//) *NGA Vehicle Fleet Composition.* The vehicle fleet is comprised of vehicles leased from the General Services Administration, U-Drive-It service vehicles, the NGA Taxi Service (NTS), agency-owned vehicles, the GSA Extended Loan Program (ELP), and commercially leased vehicles with contractor support. A brief description of each category follows:

- (U//) *Contractor Support.* At NCE, the Parsons Corporation is the prime contractor for vehicle fleet management (VFM), and the Raytheon Corporation is a subcontractor. Raytheon's role is to oversee the day-to-day activities for the GSA vehicles. AKIMA is the prime contractor at NCW and is responsible for the NCW's GSA vehicles and daily fleet operations. Both contracts include tasking to support management of the U-Drive-It and ELP vehicles.

- (U) *GSA-Leased Vehicles.* Agencies can lease vehicles at lower cost from the GSA than from commercial firms due to the volume of vehicles that GSA leases. The costs associated with GSA leases include a standard monthly rate for each

type of vehicle and a mileage charge that varies by vehicle type and GSA region. GSA charges also include the cost of fuel, maintenance, and replacement. No additional costs are included unless NGA requests auxiliary equipment, nonroutine maintenance is required, or other than regular fuel is used. NGA can obtain rates and charges from the local GSA Fleet Management Center servicing the installation or the GSA Fleet Management Division.[1]

- (U) *U-Drive-It Service Vehicles.* NGA's U-Drive-It Program consists of a fleet of 30 GSA self-drive vehicles for individuals conducting daily, official business. Dispatch periods range from single trips of short duration to trips associated with the travel portion of temporary duty locations within a maximum range of 100 miles.[2]

- (U) *NGA Taxi Service Vehicles (formerly the Executive Motor Pool).* The Taxi Service provides NGA employees with official transportation services when mass transportation and the U-Drive-It service are not appropriate.[3] Designated NGA senior officials have priority consideration for use of the NTS, and other NGA government employees receive transportation support from the NTS on a first-come, first-served basis.[4] U-Drive-It service consideration should occur before one may request NTS service.

  (U) NCW does not have NTS. The U-Drive-It service provides vehicles for NCW employees, including NCW senior officials. In addition, NGA uses contract drivers for the NTS; there are four drivers at NCE but none at NCW.

- (U) *NGA-Owned Vehicles.* These vehicles were purchased by NGA and are owned outright by the agency. These vehicles may be specialty vehicles that can be modified and may not be available through GSA.

- (U) *The Extended Loan Program.* Vehicles in this subcategory of GSA leases are assigned long term to key components that request and demonstrate the need for these vehicles. ELP vehicles may be used to meet peak workloads or to reserve a particular type of vehicle. The NGA police force and survey teams are the primary users. All key components can use ELPs if they can justify the requirement.

- (U) *Commercially Leased Vehicles.* The contract provisions for commercially leased vehicles may vary. Commercially leased vehicle support includes a quoted monthly charge plus any mileage charges that may be a part of the lease

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1. (U) DoD 4500.36-R, Management, Acquisition, and Use of Motor Vehicles, 16 March 2007, p. 96.

2. (U) *Ibid.*, p. 15.

3. (U) NGA Taxi Service Standard Operating Procedure, 9 July 2012.

4. (U) *Ibid.*

rate. Nonroutine maintenance costs not included in the initial lease are added and reported under the contract.[5]

(U) Figure 1. Number of Vehicles in NGA Fleet

Number of Vehicles

■ GSA ■ OWNED ■ LEASED

5 / 16	12	
	27	10
		32
213	198	135
FY10	FY11	FY12
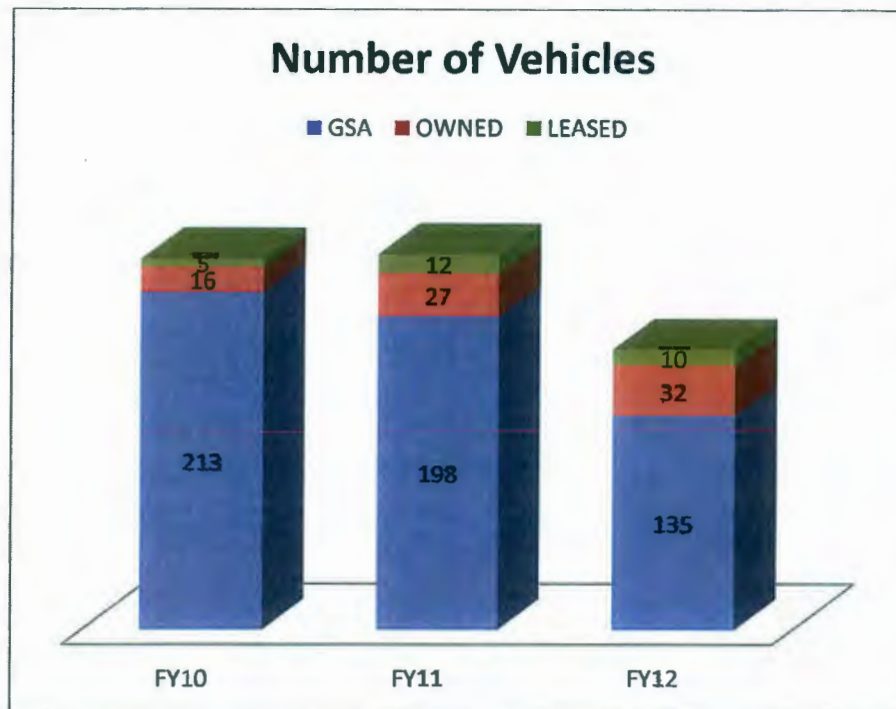
(Figure is Unclassified)

(U//) Figure 1 depicts the number of vehicles in NGA's fleet at the time of this inspection. Commercially leased vehicles are managed under separate contracts. The SIOL goal is to consolidate all vehicles under a single GSA contract. Previously, the DoD IG found that the former executive fleet (now NTS) appeared to have an excess of class IV vehicles, comprised of large sedans and station wagons.[6] Since March 2013, NTS has included four GSA vehicles, none of them class IV. Two vehicles in the NTS fleet were commercially leased and originally fitted with emergency lights. However, to comply with Federal guidance the lights were disconnected. Upon the expiration of the lease at the end of February 2013, NGA returned these two vehicles to the dealer, and they are no longer included in the NGA fleet. The new NTS vehicles are in compliance with the requirements in GSA Bulletin FMR B-32.[7]

(U//) To manage its multiple programs and contracts, SIOL conducts reviews as often as biannually to ensure that the vehicle fleet is appropriately sized for NGA's requirements. We observed that SI took the opportunity to right-size the fleet in

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5. (U) DoD 4500.36-R, 16 March 2007, p. 96.

6. (U) *Ibid.*, p. 23.

7. (U) GSA Bulletin FMR B-32, Motor Vehicle Management, October 12, 2011.

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conjunction with the NGA relocation to NCE by maximizing the number of vehicles leased from GSA. SIOL reduced the NGA vehicle fleet by 24 percent, from 234 vehicles in FY 2010 to 177 in FY 2012 (figure 1). In addition, it increased the number of flex-fuel vehicles by 97 percent.

(U//) NGA Vehicle Fleet Costs. Figure 2 depicts the overall costs for the NGA vehicle fleet, including operational and fuel costs. In FYs 2010, 2011, and 2012, the agency spent $1.145 million, $1.461 million, and $1.431 million, respectively, on the program. While the vehicle fleet was reduced by approximately 24 percent, overall costs have not decreased accordingly. The cost increase in FYs 2011 and 2012 was primarily due to the purchase of agency-owned and commercially leased law enforcement (LE) vehicles, including the increased operating costs for these vehicles. In FY 2010, the agency had zero agency-owned LE vehicles. Since then, NGA has added 21 agency-owned LE vehicles and five additional commercially leased LE vehicles.

(U) Figure 2. Annual Costs of NGA Vehicle Fleet, FYs 2010–2012 (in thousands)
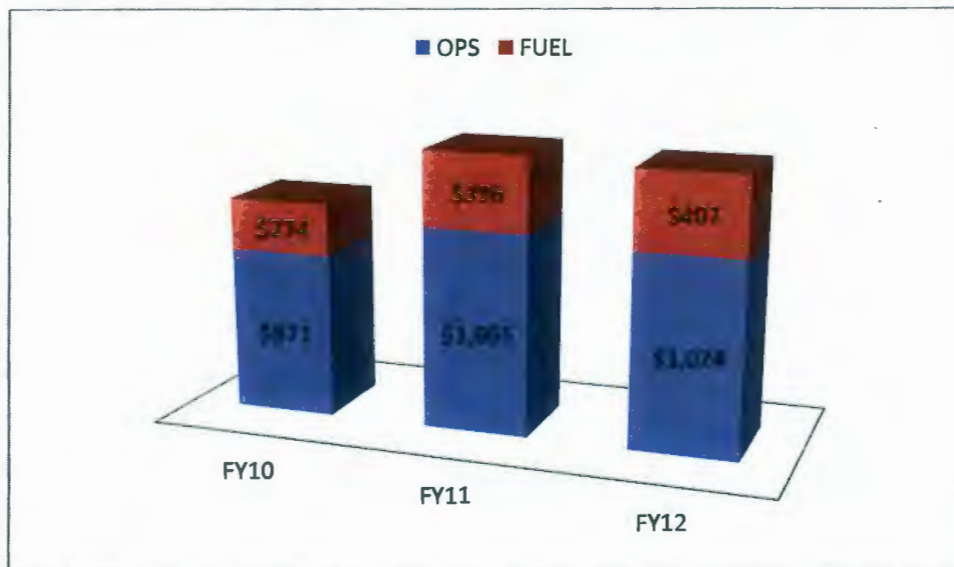
(Figure is Unclassified)

(U) Fuel Consumption. The Federal Government has undertaken many initiatives for saving energy and taxpayer dollars in Federal facilities and fleets. NGA is performing admirably in supporting this initiative. The Federal Fleet Initiative (FFI) is shaped by the requirements of Title III of the Energy Policy Act of 1992, as amended in 2005. Executive Order (EO) 13423 mandates a reduction of petroleum consumption by 2 percent a year from FY 2005 through FY 2015.[8] Of interest, a DoD Strategic Sustainability Performance Plan subgoal proposes a 30-percent reduction in petroleum products by nontactical vehicle fleets from 2005 to 2020.[9,10] Due to these initiatives and

8. (U) Federal Energy Management Program Fact Sheet, DOE/GO-102008-2632, July 2008.

9. (U) DoD Strategic Sustainability Performance Plan, September 2012, part 1, p. 8.

mandates, SIOL reports fuel consumption along with other data. Figure 3 represents NGA's reported progress (blue line) and the FFI goals (red line). SI's efforts to accomplish a 24-percent reduction in fleet vehicles between 2010 and 2012 resulted in achieving and surpassing the fuel consumption goal by 14 percent.

(U) Figure 3. NGA Fuel Consumption, Actual and Goals
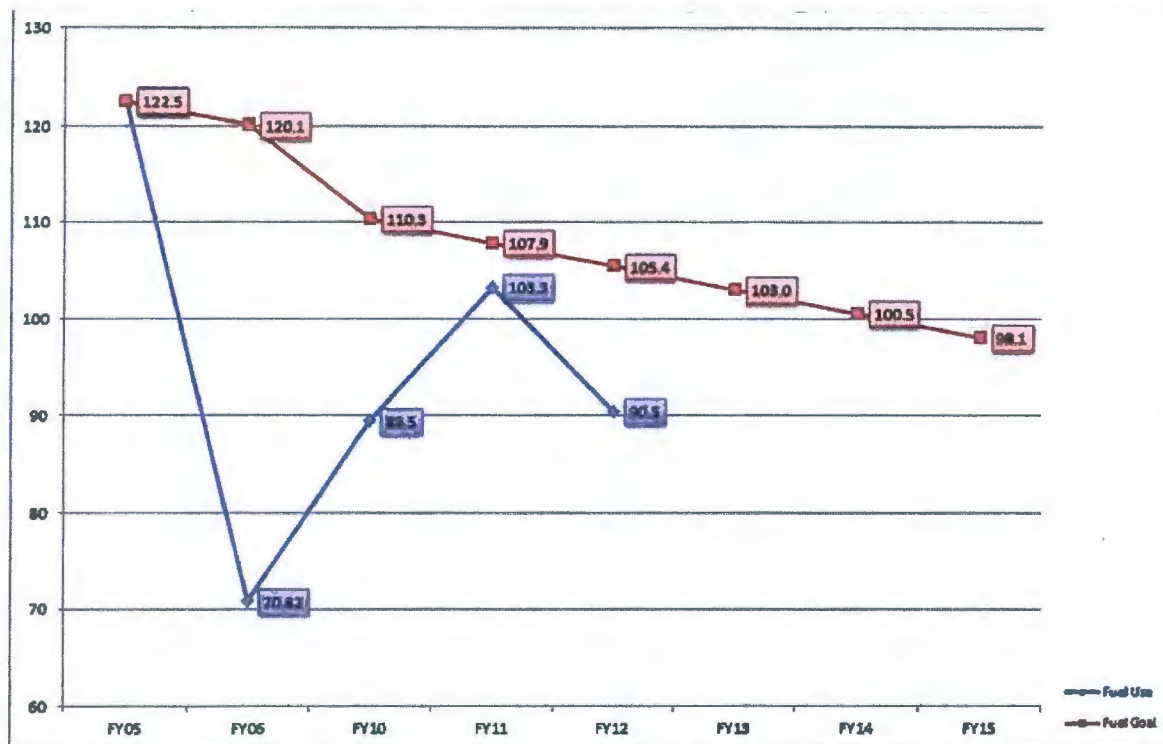
(U) Note. Units are gasoline gallon equivalents, in thousands. Data unavailable for FYs 2007–2009.
(Figure is Unclassified)

(U) Objective

(U//) The objective of this inspection was to examine whether NGA vehicle fleet management was effectively implementing policies, processes, and procedures in support of the NGA mission.

(U) Prior Evaluation Coverage

(U) None

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10. (U) *Ibid.*, p. II-2 and table II-1.

(U) Criteria

- (U) EO 13514, Federal Leadership in Environmental, Energy and Economic Performance, 5 October 2009

- (U) DoD Instruction 6055.04, DoD Traffic Safety Program, 20 April 2009

- (U) DoD Directive 4500.36, Management, Acquisition and Use of Motor Vehicles, 10 June 2008

- (U//) Office of the Director of National Intelligence, Vision 2015: A Globally Networked and Integrated Intelligence Enterprise, 2 July 2008

- (U) NGA Instruction 4500.9R9 Transportation and Traffic Management, 1 October 2004

- (U) NGA Taxi Service (NTS), Standard Operating Procedure (SOP), 9 July 2012

(U) INSPECTION RESULTS

(U//) Finding 1. The NGA Vehicle Management Program lacks standardized, written, internal processes and procedures.

(U//) We found that the VFM informal processes in place are highly dependent on the experience, skills, and abilities of the SI work force. SI's lack of documented standard operating procedures (SOPs) and dependence on institutional knowledge for program execution create the potential for gaps in mission completion when personnel are transferred or reassigned. The lack of formal processes and procedures has led to deficiencies in the following areas: interservice support; guidance on contractor-operated vehicles; procedures for driver selection, training, and licensing; support for a safety and accident prevention program; and, guidance on the reporting, identification, and marking of motor vehicles.

(U) Criteria

(U) In accordance with DoD 4500.36-R, the agency shall:

> Exercise management and technical supervision, and develop internal policy guidance, procedures, and technical instructions, as necessary, to ensure effective and efficient administration over the procurement, operation, maintenance, and use of motor vehicles.

(U//) We found that the VFM Program lacks the formal, written policies, processes, and procedures required by DoD Instruction 4500.36-R, Management, Acquisition, and Use of Motor Vehicles, March 16, 2007. The existing guidance, NGA Instruction (NI) 4500.9R9, Traffic and Traffic Management, October 1, 2004, is based on the

superseded DoD 4500.36-R, 30 September 1996. The current NI does not adequately cover the mandatory program areas listed below.

(U) Contractor-Operated Vehicles

(U//) The inspection team observed that the procedures which contractors use to check out vehicles consist of an informal process embedded within the current automated checkout system. To partially address the need for formal procedures, SI implemented a new procedure to maintain a list of eligible contractors available for U-Drive-It desk employees. In order to add a contractor to the list, KC sponsors must submit the individual's name through SI and ultimately to the appropriate Administrative Contracting Officer, who validates the person's eligibility to use the vehicle per the terms of the contract. However, without a written policy supporting existing procedures, formal guidance is lacking on how often to update contractor U-Drive-It eligibility and revalidate the associated list of eligible contractors. The policy gap could result in violation of the Federal Acquisition Regulation (FAR), Part 45.301, resulting in undocumented expenses incurred for Government Furnished Equipment. In accordance with DoD 4500.36-R and the FAR, motor vehicles that contractors require on cost-type contracts shall be included in contract language as contractor-operated requirements, and the contracting officer may authorize use of the vehicles on a rent-free basis.[11]

(U) Maintenance Management

(U//) We found that NGA management conducts annual reviews to determine if a mandatory vehicle replacement is necessary. A review considers the age and quantity of vehicles maintained within NGA's fleet, as derived from actual usage rates.[12] In addition, the agency has not implemented an Instruction specifying the roles and responsibilities of key personnel for maintenance of fleet vehicles, monitoring usage rates, and providing guidelines for vehicle replacement. For example, there are no formal, written procedures for U-Drive-It and taxi fleet service usage rates. Lack of official policies creates a critical dependency on government officials, produces a single point of failure for many activities, and does not support well-defined, repeatable processes.

(U) Safety, Accident Prevention, and Reporting

(U//) We found no evidence on the Web site of NGA's Policy and Strategy Division of formal safety, accident prevention, and reporting policies or procedures. The team did find an SOP for U-Drive-It users, however, that was incorporated into the checkout process and outlines accident reporting procedures.[13] DoD Instruction 6055.04 mandates the establishment of a comprehensive traffic safety program.[14] In addition,

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11. (U) Federal Acquisition Regulation Part 45.301(e).

12. (U) DoD 4500.36-R, pp. 29-30.

13. (U) U-Drive-It reporting procedures, p. 7.

14. (U) DoDI 6055.04, April 20, 2009, p. 2.

lack of a comprehensive traffic safety program in accordance with DoD 4500.36-R could lead to unsafe operations by vehicle operators.[15] Consideration should be given to developing an NGA-wide U-Drive-It employee awareness program promoting rules, responsibilities, and safety.

(U) Recommendations

(U//) We recommend that the Vehicle Fleet Manager and the Director, Security and Installations:

(U//) *Recommendation 1.* Develop written policies and procedures that specifically outline the organizational guidance necessary to ensure effective and efficient administration of the procurement, operation, maintenance, and use of motor vehicles.

(U) *Recommendation 2.* Develop vehicle operator training and require periodic reviews to ensure operator compliance with Federal and DoD guidance.

(U) *Recommendation 3.* Implement a vehicle safety program for the U-Drive-It and NTS fleets.

(U) Finding 2. The Vehicle Fleet Program lacks a requirement for the periodic review of the complete Wright Express fuel card program that includes analysis of fuel transaction data.

(U//) As part of this inspection, the OIG's Forensic Analysis Support Team undertook a forensic analysis of FY 2012 fuel card transactions to look for fraud, misuse, and abuse. Although the management of the Wright Express (WEX) fuel card program is generally sufficient, all fuel card transactions are not always periodically reviewed and analyzed.[16] In addition, minor updates of three documents are required: NGA Standard Operating Procedure for Using the DoD Fuel Fleet Card, Fuel Card Log, and Fuel Card User Statement of Understanding. The forms refer to the Component Program Manager as within the SIOM Division, when the position resides in SIOL.

(U) Criteria

(U//) In accordance with DLA Energy Instruction-I-5, Fuel Card Program, 14 December 2011, and DoD Directive 4140.25-M, each component service must appoint a Component Program Manager to provide agency-specific program management and execution.[17,18] The Component Program Manager is required to perform data analyses to identify patterns of delinquency or misuse. This person is also

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15. (U) DoD 4500.36-R, p. 73.

16. (U) The WEX fuel card is used for NGA-owned and commercially leased vehicles.

17. (U) DLA Energy Instruction I-5, Fuel Card Program, 14 December 2011, p. 7.

18. (U) DoD Directive 4140.25-M, 26 February 2009, vol. II, chap. 16, p. 3.

responsible for performing data analysis to identify questionable transactions and patterns of suspicious activities.[19]

(U//) NGA manages the Fleet Card Program through SIOL and uses two different fuel cards. One is the GSA fuel card, which is used for vehicles that NGA leases from GSA; the other is the WEX fuel card which is assigned to agency-owned vehicles, with the exception of the five leased police vehicles. We reviewed the transactions made using the WEX fuel card and found no evidence of fraud or abuse.

(U//) We found that, overall, NGA's fuel card program was operating as intended, and the reviewed transactions were made for authorized purchases. However, DLA-Energy Instruction I-5 and DoD Directive 4140.25-M require the Component Program Manager to perform data analysis to identify questionable transactions and patterns of suspicious activities.[20] In past years, the WEX fuel charges were paid through DFAS to the Defense Logistics Agency. DLA would have observed any anomaly. Although the Component Program Manager currently reviews the fuel card data, only nonfuel-transaction data is reviewed at NCE. The Component Program Manager was unaware of the DLA and DoD requirement to conduct fuel transaction reviews. The WEX fuel transaction data is not directly provided to the Component Program Manager, although the ability exists to download it. The directive stipulates that Component Program Managers, when conducting reviews, should include the fuel card transactions to identify questionable transactions and patterns of suspicious activity. The absence of a complete fuel card review, which includes fuel transaction data, could allow abuse to go undetected.

(U) Recommendations

(U//) We recommend that the Vehicle Fleet Manager and the Director, Security and Installations:

(U//) **Recommendation 4.** Incorporate fuel card transaction data into the Component Program Manager's overall review of the WEX fuel card program.

(U//) **Recommendation 5.** Update the standard operating procedure, Fuel Card Logs, and Fuel Card User Statements of Understanding.

(U//) The team also noted internal weakness in expense reporting and verification of GSA-leased vehicles.

(U) Finding 3. Current VFM accounting and reporting methods do not include a detailed transaction history on a per-vehicle basis.

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19. (U) *Ibid.*

20. (U) *Ibid.*

(U//) NGA's processes for reviewing vehicle fleet contractor invoices, which include GSA-leased, NGA-owned, and commercially leased vehicles, are generally adequate. For GSA-leased vehicles, NGA ensures that the invoices are paid in full in a timely manner, and any questionable billings such as higher-than-normal maintenance expenses or fuel charges are verified with the individual who initiated the vehicle charges. However, NCE's current accounting and reporting methods do not facilitate the reporting of repair history on a per-vehicle basis.

(U) Criteria

(U) DoD 4500.36-R, 16 March 2007, states:

> The program must include motor vehicle management in DoD Component internal audit programs. The instruction (2.2.1.3.) stipulates that the organization should establish a central point for control for the collection of auditable operating data as a basis for inventory and/or allowance actions and cost and/or utilization reporting.[21]
>
> The basic record-keeping system for non-tactical vehicles shall incorporate operation and maintenance data, which, in turn, shall be integrated into the accounting system of the function or organization that manages these vehicles. Each DoD Component concerned shall meet the continuing reporting requirements of the Office of Management and Budget (OMB), the Department of Energy (DOE), and GSA, by extracting from the basic system.[22]
>
> Managers at all levels shall assume the responsibility for using maintenance and operations data to measure the effectiveness of motor vehicle activities under their control. Components shall develop and publish minimum essential management indicators that support their mission and help to identify fraud, waste, and abuse. Management review shall include, as a minimum, labor productivity, out-of-commission rates, cost per mile, and preventive maintenance. Although vehicle utilization is not a normal maintenance responsibility, it should be reviewed because it affects management indicators when comparing maintenance activities against each other.[23]

(U//) NGA's existing policies and procedures do not include any requirement to perform a review of GSA invoices. Neither the current NI 4500.9R9 nor the draft NI 4500.36 incorporate any provision regarding invoice reviews and payment of expenditures. Also, neither NI requires the itemization of expenses by vehicle.

(U//) The team observed that NGA has a great reliance on GSA's reporting systems. NGA leases vehicles through GSA and the invoices are automatically paid on a monthly basis. GSA reports each vehicle's expenses, including monthly lease costs, fuel expenses, and maintenance expenses. We found that GSA does not provide NGA with

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21. (U) DoD 4500.36-R, 16 March 2007, p. 13.

22. (U) *Ibid.*, p. 88.

23. (U) *Ibid.*, p. 86.

specific transaction data, and fuel charges are calculated based on the difference between the beginning and ending monthly odometer readings, multiplied by the vehicle's stated mileage rate.

(U//) GSA invoice billing also includes "Other" charges. This category does not specify the type or nature of the expense. Program administrators indicated they will investigate the charges if they appear excessive or out of line. During an interview, the Fleet Program Administrator mentioned that most receipts supporting GSA invoices are directly submitted to the Administrator if the vehicles are located at "core" sites, such as NCE. However, for those vehicles located at noncore NGA sites, the receipts for maintenance work, which provide the itemization or nature of the expenses, are not always provided to the fleet program administrators. The inspection team found no standardized, formal process to ensure proper management review of invoices, nor did the team find descriptions of maintenance expenditures being recorded and tracked on a per-vehicle basis.

(U//) In addition, NCE does not currently require that cost records summarize expenditures on a per-vehicle basis and ensure that all invoices are received from the vehicle's POC for the maintenance work performed.

(U//) Vehicle use rates are monitored at NCE and NCW to derive average use on a daily, weekly, and monthly basis. These use rates are compiled to gauge overall average vehicle use. There may be advantages to performing analysis on a per-vehicle basis, identifying costs incurred by month. This analysis would facilitate the timely monitoring of expenditures.

(U//) Also, the overall costs of the vehicle fleet program are recorded and managed at a system-wide level, but NCE accounting and recordkeeping of costs are not being accomplished on a per-vehicle basis.

(U//) In addition, NGA has no policy requiring the fleet manager to ensure that mileage readings are audited and reconciled to the actual billed mileage on a per-vehicle basis concurrent with payment of fuel expenditures. NGA has no written policies or procedures that discuss the required steps to validate individual vehicle expenditures and to resolve payment discrepancies, which the Contracting Officer's Representative should address.

(U//) DFAS automatically pays GSA invoices, but reviews of expenditures on invoices are generally performed after payment by NCE. This can result in unnecessary vehicle expenditures and increase the chance that overpayments may occur. If GSA invoices are paid without a concurrent review of maintenance and fuel expenditures or if periodic audits of vehicles' odometers are not being performed, there is no assurance that only appropriate and reasonable expenditures are made. Furthermore, without independent validation of each vehicle's odometer reading against an actual invoice, there is no assurance that the fuel card was used to pay only for the vehicle to which the fuel card was assigned.

(U) Recommendations

(U//) We recommend that the Vehicle Fleet Manager and the Director, Security and Installations:

(U//) *Recommendation 6*. Review all vehicle invoices on a recurring basis and maintain the invoices, especially at noncore NGA sites.

(U) *Recommendation 7*. Track the accounting and recording of repair expenditures, showing total expenditures on a monthly and a cumulative basis.

(U//) *Recommendation 8*. Record monthly odometer readings, and validate them against the invoices prior to disbursing monthly payments.

(U) Appendix A. List of Recommendations

(U//) For the Vehicle Fleet Manager and the Director, Security and Installations:

1. (U//) Develop written policies and procedures that specifically outline the organizational guidance necessary to ensure effective and efficient administration of the procurement, operation, maintenance, and use of motor vehicles.

2. (U) Develop vehicle operator training and require periodic reviews to ensure operator compliance with Federal and DoD guidance.

3. (U) Implement a vehicle safety program for the U-Drive-It and NTS fleets.

4. (U/) Incorporate fuel card transaction data into the Component Program Manager's overall review of the WEX fuel card program.

5. (U//) Update the Standard Operating Procedure, Fuel Card Logs, and Fuel Card User Statements of Understanding.

6. (U) Review all vehicle invoices on a recurring basis and maintain the invoices, especially at noncore NGA sites.

7. (U) Track the accounting and recording of repair expenditures, showing total expenditures on a monthly and a cumulative basis.

8. (U//) Record monthly odometer readings, and validate them against the invoices prior to disbursing monthly payments.

(U) Appendix B. Scope and Methodology

(U) SCOPE

(U//) The focus of this inspection was to assess the overall effectiveness and oversight of NGA vehicle fleet management. The program functions within the Security and Installations Directorate (SI).

(U) METHODOLOGY

(U//) (U) The inspection team reviewed NGA and SI policy and procedures as well as the compliance with DoD policies and directives. The team also conducted structured interviews with process owners to assess the efficiency and effectiveness of vehicle fleet management. We interviewed program managers, directorate points of contact, and contractors to gather vehicle fleet data.

(U) This inspection was conducted in accordance with the *Quality Standards for Inspections and Evaluations*, of the Council of the Inspectors General for Integrity and Efficiency.

(U) Appendix C. Abbreviations

(U) CONUS	Continental United States
(U) DFAS	Defense Finance Accounting Service
(U) ELP	Extended Loan Program
(U) FAR	Federal Acquisition Regulation
(U) GSA	General Services Administration
(U) IG	Inspector General
(U) NCE	NGA Campus East
(U) NCW	NGA Campus West
(U) NGA	National Geospatial-Intelligence Agency
(U) NI	NGA Instruction
(U) NTS	NGA Taxi System
(U) OIG	Office of Inspector General
(U) SI	Security and Installations Directorate
(U) SIOL	Installations Operations Logistics Office, Security and Installations Directorate
(U) SOP	Standard Operating Procedure
(U) VFM	Vehicle Fleet Management
(U) WEX	Wright Express

(U) Appendix D. Report Distribution

(U) Director, NGA
(U) Deputy Director, NGA
(U) Chief Operating Officer
(U) Director, Security and Installations
(U) General Counsel

NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY
Know the Earth... Show the Way... Understand the World

Office of Inspector General
Inspections Division

(U) NGA Procedures Governing Conferences and Nonoperational Travel

Report No. OIGE 13-07

August 2013

(U) Questions, Copies, Suggestions

(U) The Inspections Division, Office of Inspector General, NGA, prepared this report. If you have questions about the report or want to obtain additional copies, contact the Office of Inspector General, NGA.

(U) To suggest ideas for or request future inspections of NGA issues, contact the Office of Inspector General, NGA:

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MEMORANDUM FOR CHIEF FINANCIAL EXECUTIVE
DIRECTOR, ANALYSIS

AUG 2 1 2013

SUBJECT: (U) Inspection Report, NGA Procedures Governing Conferences and Nonoperational Travel (Report No. OIGE-13-07)

1. (U//~~FOUO~~) Enclosed is the NGA Office of Inspector General report on NGA procedures governing conferences and nonoperational travel. The objective of this inspection was to review NGA procedures and controls designed to prevent misuse of taxpayer funds for inappropriate conferences and nonoperational travel.

2. (U//~~FOUO~~) We determined that NGA policy for hosting and attending conferences reflects a majority of sampled higher-level controls but documentation could be improved. We also found that NGA processes for approving hosted conferences could be more effectively integrated in order to mitigate risk. NGA-level procedures for administering nonoperational travel are limited to approving conference attendance; some additional controls exist within the Analysis Directorate. The NGA travel instruction does not address the topic of nonoperational travel—no Federal or DoD standards use this term.

3. (U//~~FOUO~~) We request that management provide a detailed plan of action and milestones (POA&M) no later than 20 September 2013 for implementing each of the recommendations. In the event that management disagrees with a recommendation, please present the basis of objection and proposed alternative actions when providing the POA&M. The OIG will resolve any objections in concert with the Chief Operating Officer and senior leadership, as appropriate. The POA&M will provide the basis for quarterly followup on management actions, which the OIG will track through closure.

4. (U//~~FOUO~~) We appreciate the courtesies extended to the OIG staff. If you have questions or concerns, please contact

Dawn R. Eilenberger
Inspector General

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Results in Brief: Review of NGA Procedures Governing Conferences and Nonoperational Travel

(U) What We Did

(U//FOUO) An OIG assessment team reviewed NGA procedures and controls designed to prevent misuse of taxpayer funds for inappropriate conferences and nonoperational travel.

(U) What We Found

- (U//FOUO) NGA policy common to hosting and attending conferences largely reflects higher-level controls, but documentation could be improved.

- (U//FOUO) NGA policy unique to hosting conferences reflects a majority of sampled higher-level controls but documentation could be improved.

- (U//FOUO) NGA processes for approving hosted conferences could be more effectively integrated in order to mitigate risk.

- (U//FOUO) NGA-level procedures for administering nonoperational travel are limited to approving conference attendance; some additional controls exist within the Analysis Directorate.

(U) What We Recommend

(U) Based on the inspection results, we made the following recommendations:

(U) For the Chief Financial Executive:

(U//FOUO) The FM conference team should modify its internal process to include periodic, informal coordination with the NGA Campus West conferences coordinator.

(U//FOUO) Revise the NGA conference instruction and manual to add or clarify specified controls pertaining to hosting and attending conferences.

(U//FOUO) Work with the Security and Installations Directorate to establish a file series and disposition instructions for official records of conferences.

(U//FOUO) Revise the conference manual to better reflect the Federal/DoD site-selection requirements.

(U//FOUO) Improve the integration of the conference approval process.

(U//FOUO) Correct NI 5410.1R10, *Travel Management*, by separating the overall description of the travel process from the paragraph on "Conferences/Off-sites."

(U) For the Director, Analysis:

(U//FOUO) Require the Analytic Advancement Travel Program Manager to include within an SOP the requirement for the participant's Key Component to report such conference attendance to FM.

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(U) CONTENTS

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(U) INTRODUCTION

(U//FOUO) An Office of Inspector General (OIG) joint inspection team reviewed NGA procedures and controls designed to prevent misuse of taxpayer funds on inappropriate conferences and activities. Based on the results, we made nine recommendations (see appendix A); scope and methodology are presented in appendix B.

(U) Background

(U//FOUO) Context of the Inspection. The NGA Inspector General (IG) initiated this review based on a Congressionally Directed Action (CDA) in the draft classified annex to House of Representatives bill 5856, which was associated with the Defense Appropriations Act for FY 2013. The CDA required IGs of intelligence agencies to

> report to the Committee [on Appropriations] the procedures that each agency has in place to ensure compliance with all applicable Federal laws and regulations on non-operational travel, conferences, and employee awards programs, and shall assess the effectiveness of these procedures.

(U//FOUO) While the NGA OIG was planning the scope of the review, the Intelligence Community Inspector General (IC IG) initiated a joint effort to coordinate the responses of the agencies under its purview. Inspectors from the IC IG met with each agency and created an electronic collaboration space using SharePoint. The IC IG collaboration produced the agreed-upon definition for nonoperational travel relied on in this report. The IC IG teams also defined effectiveness of procedures in the context of the CDA as follows:

> [T]he degree to which the procedures are complete and accurately reflect higher level requirements and guidance such as those established in the FTR [Federal Travel Regulation] and by OMB [Office of Management and Budget] and SECDEF [Secretary of Defense]. The assessment of effectiveness will not involve testing of procedures.

(U//FOUO) The IC IG team members additionally limited the scope of the nonoperational travel and employee awards programs assessment "as it relates to conferences."

(U//FOUO) On 26 March 2013, the President signed the Defense Appropriations Bill into law without the CDA, and the IC IG discontinued plans for an end-of-year capstone report on conference spending and compliance with laws and regulations. The NGA OIG opted to continue its review, with this report as the result. Since we found no evidence of systematic inclusion of employee awards within NGA conference procedures, we do not have a finding on that topic.

(U//FOUO) The Issue. Several Federal agency IG reports on wasteful conference spending and accompanying negative media coverage captured public attention in the year leading up to the draft FY 2013 appropriations bill. Two of the most widely criticized

conferences were the General Services Administration (GSA) 2010 Western Regions Conference, held in Las Vegas, and the Veterans Administration (VA) FY 2011 Human Resources Conference, held in Orlando. The GSA OIG found that the Western Regions Conference involved excessive spending on conference planning and food, and improper contracting, among other questionable costs and ethical issues. The VA OIG found that the HR Conference resulted in excessive costs for audiovisual services, catering, food, beverages, and miscellaneous expenses; numerous unauthorized or unsupported expenses; unauthorized costs associated with the production of a video parody, unnecessary costs for conference planning, and questionable awards paid to VA staff for their roles in the management of conferences.

(U) Objectives

(U//~~FOUO~~) The overall objective was to review NGA procedures and controls designed to prevent misuse of taxpayer funds for inappropriate conferences and activities. Specifically, the review identifies and reports on procedures NGA has in place to ensure compliance with applicable Federal laws and regulations on conferences and nonoperational travel as it relates to conferences.

(U) Prior Evaluation Coverage

- Conference Fact Sheet, *Proposed Audit of the Intelligence Community's Planning and Expenditures on Conferences*, undated
- *Audit of Temporary Duty Travel Costs* (Report OIGA10-02), 3 March 2010

(U) Criteria

- Executive Order (EO) 13576, *Delivering an Efficient, Effective, and Accountable Government*, 13 June 2011
- EO 13589, *Promoting Efficient Spending*, 9 November 2011
- Office of Management and Budget (OMB) Memo 11-35, *Eliminating Excess Conference Spending and Promoting Efficiency in Government*, 21 September 2011
- OMB Memo 12-12, *Promoting Efficient Spending to Support Agency Operations*, 11 May 2012
- Federal Travel Regulation (FTR), §301-74, *Conference Planning*
- FTR, app. E to chap. 301, *Suggested Guidance for Conference Planning*
- Joint Federal Travel Regulation/Joint Travel Regulation (JFTR/JTR), app. R, *Conferences*
- Secretary of Defense (SECDEF) Memo, *Consideration of Costs in DoD Decision Making*, 27 December 2010

- SECDEF Memo, *Track Four Efficiency Initiatives Decisions*, 14 March 2011
- Deputy Secretary of Defense (DEPSECDEF) Memo, *Affirming DoD Policies and Controls Regarding Conference Spending*, 4 April 2012
- DEPSECDEF Memo, *Implementation of May 11, 2012 OMB Memo*, 3 June 2012
- DEPSECDEF Memo, *Implementation of Conference Oversight Requirements and Delegation of Conference Approval Authority*, 29 September 2012
- Under Secretary of Defense (Comptroller) (USD(C)) Memo, *Data Call Collection and Retention of Conference Fees*, 13 December 2011
- USD(C) Memo, *Campaign to Cut Waste Implementation Guide*, 7 February 2012
- Under Secretary of Defense for Intelligence (USD(I)) Memo, *Conference Planning Guidance*, 24 May 2011
- USD(I) Memo, *Campaign to Cut Waste*, 18 April 2012
- USD(I) Memo, *Delegation of Conference Approval Authority and Additional Guidance (NGA)*, 21 November 2012
- USD(I) Memo, *Delegation of Selected Conference Approval Authority (DDNGA/COO)*, 26 December 2012
- USD(I) Memo, *Handling Budgetary Uncertainty in FY 13*, 10 January 2013
- Office of the Under Secretary of Defense for Personnel and Readiness (OUSD(P&R)) Memo, *Conference Guidance in Support of the President's Campaign to Cut Waste*, 29 February 2012
- Office of the Deputy Chief Management Officer (DCMO) Memo, *Additional Guidance on Confirming DoD Policies and Controls Regarding Conference Spending*, 11 April 2012
- DCMO Memo, *Delegation of Conference Approval Authority*, 16 October 2012
- DoD Guidance Document, *Cost of Hosting an Event* (CAPE Tool), 16 September 2011
- DoD Guidance Document, *Cost of Attending an Event* (CAPE Tool), 16 September 2011
- Office of the Director of National Intelligence (ODNI) Memo, *Eliminating Excess Conference Spending and Promoting Efficiency in Government* (E/S 00649), 15 November 2011
- ODNI Memo, *Supplemental Guidance Regarding NIP Funded or Partially Funded Conferences*, 12 October 2012

(U) INSPECTION RESULTS

(U//~~FOUO~~) Finding 1. NGA policy common to the hosting of and attendance at conferences largely reflects higher-level controls, but documentation could be improved.

(U//~~FOUO~~) NGA policy for ensuring compliance with Federal laws and regulations for conference hosting and attendance largely reflects higher-level requirements and guidance. The Financial Management (FM) conference team has done a commendable job staying current with a large volume of changing Federal, DoD, and IC conference policy. Its quarterly process for reporting conferences and documenting approval for conference attendance is systematic, consistent with DoD and IC guidelines, and based on a tool superior to the DoD standard. The Security and Installations Directorate's comprehensive conference-hosting procedures reinforce FM's policies and procedures at the NGA Campus East (NCE), and coordination between the two offices is continuous. Conferences and related procedures at the NGA Campus West (NCW) are less extensive, and coordination between NCW and the FM conference team is minimal. NGA conference hosting and attendance policies could better reflect several controls from the Federal Travel Regulation. NGA has experienced wide variation in cost and attendance estimates but is taking steps to make these more accurate. Last, although the NGA instruction and manual were recently published, the manual needs additional information from the briefing slides that were the NGA de facto standard on conferences.

(U) Criteria

- SECDEF Memo, *Consideration of Costs in DoD Decision Making*, 27 December 2010, mandates the use of cost calculators obtained through DoD Cost Assessment and Program Evaluation (CAPE) Web sites for conference cost calculations, effective 1 February 2011.

- FTR § 301-74.11 allows agencies to provide light refreshments to agency employees attending an official conference. This section specifies that "[l]ight refreshments for morning, afternoon, or evening breaks are defined to include, but not be limited to, coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins."

- FTR § 301-74.18, subpara. a, governing selection of conference attendees, states that policies and procedures must limit an agency's representation to the minimum number of attendees that a senior official finds are necessary to accomplish the agency's mission.

- FTR § 301-74.21 explains the applicable meal and incidental expense rate when the government furnishes meals or light refreshments at a nominal or no cost or includes them in the registration fee.

- JFTR/JTR, app. R, pt. 2, para. E, states that charges and fees for light refreshments and snacks are reimbursable ONLY when included as part of the conference registration fee. [emphasis in original]

(U//~~FOUO~~) The FM Conference Team's Maintenance of High-Level Policy Documents Is Commendable

(U//~~FOUO~~) The FM conference team has collected, updated, and made available a comprehensive body of policy and procedure documents at the Federal, DoD, and IC levels. They also maintain a publication timeline of key policy documents in their quarterly briefing slides. These documents are available either through their Web site or from shared folders on the NGANet. We discovered no policy or procedure documents of significance beyond those identified by the team. This is commendable considering the volume of documentation and frequency with which documents are issued due to the political sensitivities.

(U//~~FOUO~~) NGA's Quarterly Conference Reporting Is Systematic and Consistent with DoD and IC Guidelines

(U//~~FOUO~~) The reporting process has been modified over time to reflect changing requirements. The FM conference team was assigned the mission to collect and report conference data in December 2010. The following spring, the Secretary of Defense directed that all future conferences hosted by Defense agencies receive Principal Staff Assistant approval. Accordingly, in April 2011, FM tasked the key components (KCs) to provide a list of conferences they planned to host through 30 September 2011. This was the first collective NGA baseline in support of DoD reporting.

(U//~~FOUO~~) The first data call using a quarterly basis for reporting was issued on 21 February 2012. It collected conference costs through a mandatory, FM-provided Excel spreadsheet completed by the KCs and saved to a shared folder. The shared-folder approach was used through June 2012. By October 2012, FM had improved the quarterly reporting process by developing an automated cost calculator and reporting tool and creating the role of conference point of contact (POC) within the KCs. At this point, reliance on the tool and the quarterly system of reporting led FM to direct all KCs to "remove FM from all internal KC conference correspondence." The improved tool was also used to meet new (October 2012) ODNI reporting requirements for conferences involving National Intelligence Program funds.

(U//~~FOUO~~) NGA's Cost Calculator Is More Effective Than DoD's

(U//~~FOUO~~) NGA does not use the DoD-mandated CAPE tool, and the NGA Access-based replica is more effective than the DoD original. NGA's use of the CAPE tool was problematic because the tool was SIPRNet based. To resolve this access problem, FM developed an NGANet-hosted tool that improves CAPE functionality by embedding automated calculations into most fields. In contrast, most data in the DoD tool has to be calculated manually. The accuracy of NGA calculations is enhanced because the tool

pulls cost rates and information directly from the Defense Travel System (DTS). USD(I) is aware of NGA's use of its own tool; the FM conference team has provided them with a printout of the tool's capabilities.

(U//~~FOUO~~) NCE Conference Center Procedures and Interaction with the FM Conference Team Are Supportive of Conference Controls

(U//~~FOUO~~) One of NCE's signature features is a Conference Center complex comprising 16 rooms, including the William Allder Auditorium, which seats more than 500 people. The Services Division (SIOV) of SI's Installation Operations Office manages the Conference Center with a staff of eight government employees. Conference activities are overseen by a Conference Center Manager and five event managers. SIOV's conference procedures are documented in the *NGA Campus East Conference Center Concept of Operations (CONOPS)*, which is available on the SI Facilities NGANet Web page. SIOV created the CONOPS after benchmarking 20 conference centers in the Washington, D.C., area for "do's and don'ts." SIOV and FM provide different functions for conference management. As explained below, SIOV's function is reservation, calendar, and logistics oriented, and FM is oriented to financial and compliance controls. FM has free access to SIOV's Conference Center calendars. The SIOV conference center team will not schedule a conference until an NGA organization provides evidence of coordination with FM.

(U//~~FOUO~~) The overwhelming majority of conferences at the NCE Conference Center are hosted by NGA key components, as opposed to non-NGA organizations. The NCE Conference Center is *not* a National Capital Region asset, as are the Heritage Center and Air Force facilities. When an external group wishes to host a conference at NCE, it must do several things:

- Obtain an "event intermediary" from an NGA organization. The responsibilities of this party are described in the CONOPS § 2.7.1.
- Demonstrate that the event is relevant to NGA.
- Demonstrate that the event is advantageous to NGA.

(U//~~FOUO~~) The KCs request conference facility support through a request form maintained on the SI Facilities Web site, which they send by e-mail to the NGA Conference Center for vetting. Benchmarking experience warned against using an automated scheduling process like the one used for the meeting rooms on NCE floors 2–8. With an automated process, SIOV would not have visibility to vet the users or the purpose of the event and therefore could not ensure facilities are used to promote bona fide agency needs. In addition, the request form reinforces the reporting mechanism with a highlighted block that emphasizes the requirement to coordinate conferences with FM.

(U//~~FOUO~~) If a planned NCE event meets FM's definition of a conference, FM must approve the reservation request. SIOV staff directs the KC making a reservation to self-report to FM. The conference center team accepts no final reservation request until FM

notifies the team that it has received all required data from the KC. As an additional control, the FM conference team has access to the Conference Center calendar and can ask the conference center team about any event on it. They can also access a conferences spreadsheet, populated from the Conference Center Calendar.

(U//**FOUO**) Another control is provided by the Visitor's Management Board, which convenes every two weeks. Headed by the Deputy Chief Operating Officer (DCOO), the group reviews the Conference Center calendar and discusses the distinguished visitors coming to NCE in the ensuing two weeks. SIOV's Conference Center Manager and a FM conference team member attend, and the FM conference team can obtain clarification on any unfamiliar event.

(U//**FOUO**) The FM conference team systematically compares conferences reported in the FM automated cost calculator with the calendar of NCE-hosted conferences maintained by the Conference Center. Using an Excel spreadsheet, the team compares the two sets of data and looks for differences. If they find a difference, they will assign a level of risk to determine how much followup action they will take. This spreadsheet is not mandated by a regulatory requirement—it is an "above-and-beyond" double check. The FM conference team also reviews the corporate calendar for conferences that may not have been reported in the cost calculator.

(U//**FOUO**) NCW Conferences and Procedures Are Less Extensive

(U//**FOUO**) Conference facilities at NCW are managed by SI's Workforce Support Branch, West Operations (SIOWW). The main conference facilities comprise five rooms, one of which is located at the Arnold facility. The largest is the large auditorium at Second Street, which seats approximately 180 people. These rooms can only be reserved by calling SIOWW, which ensures requesters are not trying to obtain a large room for a small gathering. Unlike SIOV's NCE conference center team, SIOWW has no standard operating procedure (SOP) or CONOPS to describe the conference process, although some guidance is available on its Web site. SIOWW staff does send requesters a checklist to help them determine their meeting needs, including security and technical support for the VTC. The requesters return the checklist with their reservation, and SIOWW posts it to an Outlook calendar.

(U//**FOUO**) The level of coordination between SIOWW and FM is significantly less than that between SIOV and FM, but the number of conferences hosted at NCW facilities is fractional in comparison to those at NCE. SIOWW experienced no direct contact with the FM conference team on conferencing issues aside from attending an FM conference team VTC briefing and receiving a copy of the slides. The conference team acknowledged it has little direct contact with SIOWW, but felt this was not a problem since conference reporting taskings are routed through the KCs, which include the West Executive. FM conference team personnel noted that reporting is a KC responsibility, regardless of geographic location.

(U//~~FOUO~~) The FM conference team acknowledged that they do not perform the same type of discretionary cross-checks for NCW that they do for NCE. Calendar cross-checks are not possible, as the FM conference team has no direct access to NCW conference calendars. (The Conference Center calendar described in the section above covers only NCE events, unless NCW is hosting a VTC.) As we concluded our interviews, the conference team members indicated they perceived increased interest from NCW and were soon to engage them with another VTC.

(U//~~FOUO~~) At the time of our interviews, SIOWW staff had yet to see the conference calculator tool; a link is present on FM's conferences Web page. SIOWW personnel were aware that an NGA Instruction was in the works but had not seen a draft and expressed the opinion that agency policy regarding conferences was neither clear enough nor well enough promulgated. SIOWW staff has not been asking facilities users whether they are reporting their events to FM.

(U//~~FOUO~~) NGA Policy Common to Hosting and Attendance Could Better Reflect Several Higher-Level Controls

(U//~~FOUO~~) We identified eight higher-level controls common to hosting and attending conferences (appendix C). The draft NGA documentation clearly reflected three of these controls. Another—the FTR definition of conferences—was incorporated, but it consisted of a paraphrase that oversimplified the aspect of training. Four controls were not referenced, although only one of these was significant—the requirement for a senior official to limit attendees at a conference to the minimum number necessary to accomplish the mission (FTR § 301-74.18). The FM conference team occasionally challenges the number of KC personnel proposed to attend a conference, but this is not a systematic implementation of the control.

(U//~~FOUO~~) The remaining three minor uncited controls pertained to light refreshments. These included the definition of light refreshments (FTR § 301-74.11), travel voucher deductions (FTR § 301-74.21), and reimbursement (JFTR/JTR, pt. 2, para. E). The topic of light refreshments, which is clearly a potential problem area, is largely ignored in the current guidance.

(U//~~FOUO~~) The OIG notes that FM has incorporated references to the above FTR controls in the July 2013 conference guidance briefing slides.

(U//~~FOUO~~) Accuracy of Conference Cost Figures Depends on Self-Reporting

(U//~~FOUO~~) FM depends on the KCs and conference attendees to accurately report projected and actual costs for conferences, both hosted and attended. The KCs report these costs to FM by entering data to the automated cost calculator tool. The FM conference team uses N-CERTS taskings to establish suspense dates for cost

reporting.[1] Although computation formulas are built into the conference tool, the reporting process remains subject to the risk of underreporting and faulty estimation.

(U//FOUO) The FM conference team has attempted to mitigate these risks through reporting guidelines and advertising. To prevent double counting of conference attendance, instructions specify that KCs are "only to report actuals for your respective KC attendees for each applicable conference." FM procedures explicitly place responsibility on KC conference POCs to ensure that all conferences are entered, estimates are realistic, and travel costs are estimated using the automated tool. However, KC conference POCs themselves rely on designated conference hosts to perform due diligence in arriving at estimates and on conference attendees and supervisors to self-report conference attendance. To advertise the requirement to the entire NGA population, the conference team coordinated with the Office of Corporate Communications (OCC) to produce a slide for NCE plasma monitors reminding viewers to report their conferences.

(U//FOUO) FM's October 2012 briefing slides acknowledged that "underreporting is still a major concern for the Agency, particularly for bigger conferences." This statement was repeated in the November 2012 version of the briefing. In February 2013, the Deputy Director, NGA (DD/NGA) required KCs to explain discrepancies in conference cost estimates and numbers of attendees. This directive was executed during 2nd quarter for 3rd quarter input data. FM submitted the results of the analysis on 7 March 2013. The results are presented in the table.

(U) Table. Reported Conference-Cost Discrepancies (FY 2013, Quarters 1&2)

Quarter	# Confs.	# Cost Discrepancies	# Under-estimated	# Over-Estimated	Total Conf. Cost	Variance
1st	137	42 (31%)	39	3	$375,781	$257,717 (69%)
2nd	99	16 (16%)	13	3	$858,254[a]	$ 49,791 (6%)

a. Estimated cost. (Table is U//FOUO)

(U//FOUO) In response to the DD/NGA tasking, the KCs reported first-quarter cost variances for 42 of 137 conferences, a discrepancy level of 31 percent. The majority of variances (93 percent) were underestimates. The total value of cost discrepancies was $257,717, which was 69 percent of total conference costs. Reasons for the discrepancies varied widely, from managers forgetting to provide the estimate to changes in reporting rules.

(U//FOUO) Cost variance figures for NGA's second quarter were based on estimates, since actuals were not yet available. Organizations reported cost variances for 16

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1. (U) The NGA Central Electronic Routing and Tracking System (N-CERTS) is NGA's centralized routing and tasking system.

conferences out of the 99 planned, resulting in a sharply reduced level of 16 percent. Among conferences with variances, underestimates remained a strong majority at 81 percent. The total reported cost variance was $49,791, a figure that was only 6 percent of the planned total for all conferences. This level was a quantum improvement over the first quarter; however, it must be noted that the comparison is not apples to apples since actuals were not yet available.

(U//~~FOUO~~) NGA Policy Documents Require Additional Detail to Stand Alone

(U//~~FOUO~~) Until recently, the detailed slides published with each quarterly N-CERTS tasking have constituted the de facto standard for conference procedures. The conference instruction was published on 30 April 2013, and the manual followed on 30 May 2013. However, the instruction and manual provide less detail than that contained in the quarterly briefing slides and is not sufficient for these documents to stand alone, even when the conference tool user guide is taken into consideration. Specific instances include the following:

- The listings of roles and responsibilities for conference planning and reporting found in the instruction and manual are neither comprehensive nor integrated. They are distributed between the two documents, and the manual further distributes them between two enclosures. In particular, conference responsibilities of KC POCs, well detailed in the slides, are not listed in the instruction and only minimally in the manual.

- Both documents have a definition of conference that approximates that of the JFTR/JTR and of USD(I), but the language pertaining to training has been modified. By removing the reference in the higher-level definitions to "training activities that are considered to be conferences under 5 CFR 410.404," NGA guidance semantically differs from the Federal and DoD versions.

- In response to the variance problem described above, the level of detail that KCs must enter to the cost calculator has recently increased. Although the manual points to the user guide for detailed instructions on filling out cost calculators, it is silent on the essential minimum level of detail, that is, separate lines for airfare, lodging, and meals.

(U) Effects of Noted Conditions

(U//~~FOUO~~) Until the policy documents contain additional detail, at least one significant FTR-based control—the requirement for a senior official to set a limit on the number of people needed to attend a particular conference in order to fulfill the agency mission—will not be traceable within NGA. While the FTR's guidance on light refreshments is less critical, improper food expenditures are a continuing problem with government conferences. Not citing this guidance would be missing an opportunity to clarify some simple rules before a KC hosts an event or an attendee submits a travel claim. Without specifying the documentation required to document KC director approvals of increases

to cost and attendance estimates, the current effort to reduce variance will be less effective.

(U) Recommendations

(U) For the Chief Financial Executive:

(U//~~FOUO~~) Recommendation 1. The conference team should modify its internal process to include periodic, informal coordination with the NCW conferences coordinator, similar to that already conducted with the NCE conference center team.

(U//~~FOUO~~) Recommendation 2. Revise the NGA Instruction for conferences, to include the following revisions or additions:

- The responsibility for KC directors to set a limit on the number of personnel necessary to accomplish the agency's mission in attending any particular conference (reference FTR § 301-74.18).

- A more comprehensive set of roles and responsibilities covering all key persons in the conference planning and reporting processes, including KC conference POCs.

- A definition of conference more closely reflecting the one established in the FTR and promulgated by USD(I).

(U//~~FOUO~~) Recommendation 3. Revise the conference manual to include the following:

- The definition of light refreshments presented in the FTR (§ 301-74.11).

- Light refreshment *deduction* guidance from the FTR (§ 301-74.21) and JFTR/JTR (app. R, pt. 1, paras. F, O).

- Light refreshment *reimbursement* guidance from the JFTR/JTR (app. R, pt. 2, para. E).

- Additional procedural details commensurate with those provided in FMs quarterly briefing slides.

- Reference to the basic minimum level of detail required in conference cost calculators, for example, separate lines for airfare, lodging, and meals.

- Guidance on what documentation is required to demonstrate that KC directors approved increases to estimates of conference cost and attendance.

(U//~~FOUO~~) Finding 2. Policies unique to hosting conferences reflect a majority of sampled higher-level controls, but documentation could be improved.

(U//~~FOUO~~) NGA conference documentation clearly reflected 13 of 16 higher-level controls (80 percent) that we sampled based on Federal and DoD guidelines (see appendix D). One control was not cited, one was partially cited, and one was incorrectly cited. NGA records management requirements (that is, a file series with record retention instructions) are not specified for conference records.

(U) Criteria

- FTR § 301-74.3 (a–e) establishes what agencies must do to determine which conference expenditures result in the greatest advantage to the government:
    a. Ensure appropriate management oversight of the conference planning process.
    b. Always do cost comparisons of the size, scope, and location of the proposed conference.
    c. Determine if a government facility is available at a cheaper rate than a commercial facility.
    d. Consider alternatives to a conference, for example, teleconferencing.
    e. Maintain written documentation of the alternatives considered and the selection rationale used.

- FTR § 301-74.4 states that cost comparisons should include, but not be limited to, a determination of adequacy of lodging rooms at the established per diem rates; overall convenience of the conference location; fees; availability of meeting space, equipment, and supplies; and commuting or travel distance of attendees.

- Part 1 of appendix R (Conferences) to the JFTR/JTR states that DoD agencies must maintain a record of the cost of each alternative site considered for each conference sponsored or funded, in whole or in part, for 30 or more attendees. A minimum of three sites must be considered for the conference, and the documentation must be available for inspection by the IG's Office or other interested parties (paragraph H.1).

- USD(I) Memo, *Implementation of Conference Oversight Requirements and Delegation of Conference Approval Authority*, 29 September 2012, states that organizations should not finalize conference plans or make any commitments to vendors or hotels that obligate the government to pay appropriated funds until requisite approval from the appropriate authority has been obtained. This memo also designates the USD(I) as NGA's approval authority for hosted conferences

over $500,000 and requires quarterly reporting of all conferences hosted or attended, regardless of cost.[2]

(U//FOUO) NGA Hosting Policies Reflect the Majority of Sampled Higher-Level Controls

(U//FOUO) We identified 16 Federal/DoD controls related to hosting a conference (appendix D). NGA documentation, including FM's briefing slides, contained clear references to all but three. One control was not mentioned at all, one was partially referenced, and one was inaccurately conveyed. The unreferenced control pertained to cost comparisons (FTR § 301-74.4). This section of the FTR establishes seven factors that cost comparisons should include (see Criteria section above). Unless the NGA Manual specifies these factors, the criteria upon which KCs compare proposed conference sites is likely to be inconsistent. We note that FM has addressed these factors in the July 2013 conference guidance briefing slides.

(U//FOUO) The control partially referenced was FTR § 301.74.3 (see Criteria section above). Although several subordinate items of this control were present in the documentation, neither the conferences instruction nor manual adequately captured the requirement to maintain written documentation of conference alternatives that were considered and the selection rationale used.

(U//FOUO) The control inaccurately referenced was the requirement to maintain the record of the cost of each alternative conference site considered when more than 30 attendees were involved (FTR § 301-74.19). Instead of citing the 30-attendee threshold, NGA guidance substitutes an IC provision that limits the need for comparison and documentation to instances where an alternative facility charges a fee.[3] The Federal and DoD guidance do not contain this qualifier. Since NGA is a DoD component, it must recognize the requirement to document cost comparisons (minimum of three sites) for conferences having more than 30 attendees, regardless of whether one of the facilities considered charges a fee. We note that FM has addressed this control in the July 2013 briefing slides. Recommendations related to the site-selection process are provided in finding 3.

(U//FOUO) The NGA conference manual, as the most detailed set of official conference procedures, would benefit from additional information on several topics. These include the following:

- The USD(I) prohibition against obligating appropriated funds in advance of approval.
- A detailed list of entertainment-related expenses. (This is provided in the glossary of NI 7000.1.)

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2. (U) Recent guidance from the Deputy Chief Management Officer amended quarterly reporting to specify "those conferences which the Department hosts, where the total cost to DoD is in excess of $100,000."

3. (U) ODNI Memo, *Eliminating Excess Conference Spending and Promoting Efficiency in Government*, 15 November 2011, attach. A, p.1

- The requirement to estimate the cost of all DoD personnel attending a hosted conference. (This was captured in FM's slides.)

(U//~~FOUO~~) Records Management Requirements Are Not Defined

(U//~~FOUO~~) Records disposition requirements for conference documentation are unclear. Although the conference manual states that conference documentation will be retained "in accordance with the NGA records retention policy," a review of NI 8040.1R10, *Records and Information Life-Cycle Management*, found no file series or disposition instructions for conference documentation. There are at least two FTR requirements explicitly involving records retention (§ 301-74.3 and § 301-74.19). The latter requires that records of cost comparison be made available to the agency OIG. Without an established file series and disposition instructions, retention of conference decisionmaking documents will not be systematic, and management may not be able to produce the records in compliance with FTR § 301-74.19.

(U//~~FOUO~~) FM's intent to officially designate NGA file series 212-02 (Ceremony and Event Files) as the agency's repository for conference records is an alternative solution responsive to the intent of recommendation 5 below.

(U) Recommendations

(U) For the Chief Financial Executive:

(U//~~FOUO~~) Recommendation 4. Revise the NGA conference manual to include the following:

- The list of cost comparison factors (FTR § 301-74.4).
- The prohibition on obligating the government to pay vendors for goods and services before receiving approval by the appropriate authority.
- The detailed list of prohibited entertainment expenses.
- The requirement to estimate the cost of all DoD personnel attending a hosted conference.

(U//~~FOUO~~) Recommendation 5. Work with the Security and Installations Directorate to establish a file series and disposition instructions for official records of conferences. This file series should contain, at a minimum, staff summary sheets documenting KC director approvals of hosted conferences, legal opinions, written documentation of the alternatives considered, and selection rationale used (reference FTR § 301-74.3); and, for conferences having 30 or more attendees, a record of the cost of each alternative conference site considered (reference FTR § 301-74.19).

(U//~~FOUO~~) Finding 3. NGA processes for approving hosted conferences could be more effectively integrated in order to mitigate risk.

(U//~~FOUO~~) A request to host a conference must follow at least three separate processes that could be more effectively integrated. These processes include the FM quarterly reporting and approval process, the site-selection approval process, and the food/legal issue concurrence process. NGA's primary conference policy documents are focused on the quarterly process and provide few specifics on the other two. A new control within FM's cost calculator tool documents a KC's intent to provide food and thereby alerts quarterly-process reviewers that the food-approval process is required. The actual processes a KC must follow are shown in a flowchart in appendix E. The lack of full integration of these processes introduces several risks of noncompliance with Federal and DoD policies. FM plans to implement a second part to the existing approval process to address the noted risks. We recommend three additional actions to improve the planned mitigation.

(U) Criteria

- The FTR requires a record of the cost of each of at least three alternative conference sites considered when a conference involves 30 or more attendees (FTR § 301-74.19).

- DEPSECDEF memo, 29 September 2012, *Implementation of Conference Oversight Requirements and Delegation of Conference Approval Authority*, states that conference approval authorities may not approve a conference without coordination with appropriate legal counsel (attch. 1, para. 2).

- NI 7000.1, *Conference Planning, Execution, and Reporting*, 30 April 2013, establishes the following:
    - o The Chief Financial Executive serves as NGA's "conference data collector and primary point-of-contact." (encl. 2, para. 3.a)
    - o The Office of General Counsel (OGC) is required to "review conference requests for compliance with applicable fiscal and legal policy and law prior to NGA component directors' approval." (encl. 2, para. 6)

- NGAM 7000.1, *Conference Planning, Execution, and Reporting*, 30 May 2013, requires NGA components hosting a conference to obtain OGC "approval for food/light refreshment, if applicable." (Encl. 2, para. 3.d)

- FM conference briefing slides state that "OGC coordination is required for all CAPs [Conference Approval Packages] to conduct legal reviews as well as to concur with food and beverage arrangements prior to committing or obligating funds." The slides further state that "FM should be notified once concurrence is obtained."

(U) FM Conference Policy Documents Are Focused on Reporting and Quarterly Summaries

(U//~~FOUO~~) As established in findings 1 and 2, the NGA conference instruction and manual effectively reflect most higher-level requirements governing conferences. However, the detailed processes established in the manual are mostly oriented on reporting, and approval procedures that are spelled out rely on quarterly summaries, as opposed to individual conferences. Neither document provides detailed procedures by which a KC obtains site-selection approval for hosted conferences or OGC concurrence with plans to provide food. While the instruction and manual establish the fact that such coordination must be achieved, the actual processes are outside these documents. We found no other NGA Instructions or Manuals that detailed the unspecified procedures. We also note that it would be ineffective for the absent procedures to reside in documents other than the NGA conferences manual.

(U) Cost Calculator Capabilities and Modification

(U//~~FOUO~~) FM's cost calculator tool has always had the ability to capture itemized costs for providing food at a hosted conference under the "conference expenses" section, although this aspect was not emphasized in the conferences manual or user's guide. The guide's only explicit mention of food costs was per diem related, for example, "Include per diem costs for travel, lodging and meals, transportation and incidentals for conference attendees." KCs were able to choose "catering" or "refreshments (food and beverages)" from a drop-down menu in the conference-expenses section. These terms can be augmented or replaced with other text. In reviewing cost calculator reports for 24 hosted conferences submitted for 2d Quarter FY 13, we found six that included food in the conference-expense section, described as follows:

- "Hosted Lunch" ($400)
- "Lunch, Coffee, Snack" ($6,000)
- "Catering—food and refreshments for breaks, special events/award/demo night" ($37,000)
- "Coffee/refreshments" ($660.00)
- "Supplies and light refreshments (e.g., small notepads, pens, badges, paper, envelopes, etc." (($10,000.00)
- "Facility Fee (Food, Snacks, Beverages)" ($15,000.00)

(U//~~FOUO~~) During the course of the inspection, FM improved the internal-control value of the cost calculator tool by adding a mandatory flag for the intent to provide food. KCs are required to select "yes" or "no" in the associated checkbox. Selecting "yes" triggers 1) a dialog box reminding the user that "further approval by OGC is required," and 2) a data-entry box asking for a dollar amount. The amount entered is automatically transferred to a "food and beverages" line item in the conference expenses section. The fact that the KC intends to provide food at a hosted conference is now clearly evident on

the print-out of the cost calculator, which is a key document in the quarterly reporting and approval process.

(U) Planned Modifications to the Approval Process

(U//FOUO) FM is currently considering a modified conference approval process that would have two parts: part I (pre-approval) and part II (final approval). Part I would consist of the current quarterly approval process, enhanced by the addition of the food flag to the cost calculator tool. The outcome of part I would be NGA Component Director, COO, DD/NGA, and D/NGA approval of preliminary conference information sufficient to allow conference planners to obligate funds and enter into contracts. Part I coordination would include an OCC review (the "Washington Post test") and OGC confirmation that the event is deemed a reportable conference and is being approved at the right level. While site approval is envisioned to take place during part I, the identity of the approving authority (presently the DCOO) is yet to be established. It is also unclear whether the site-approval process would be integrated within the quarterly process (recommended) or remain as a standalone.

(U//FOUO) Part II (final approval) coordination would be separate from the quarterly process, but accomplished at least 60 days prior to the conference. The hosting KC would be solely responsible for obtaining this approval. The vehicle for part II approvals would be a second KC-generated staff summary sheet (there was also one created for the part I process). This summary sheet would be routed to OGC and OCC and would document OGC's legal opinion on any food and beverage plans. The conference agenda and projected attendee list would also be required as part of the package. However, the KC would not route the staff summary sheet to the COO, DD/NGA, or D/NGA unless the revised cost estimate were to exceed the previously approved reporting threshold. FM is willing to be included as a "coord," but would not be responsible for ensuring the coordination happens.

(U) Specific Process Risks and Mitigation

(U) The following discussions of process risks and mitigation are keyed to the flowchart in appendix E. This flowchart contains numbered references at the point of the noted risk. Mitigations are explained in each section and then summarized in the recommendation.

(U) Coordination of Food and Other Legal Issues with OGC (Process Risk 1)

(U//FOUO) The NGA conference instruction requires OGC to review requests to host a conference for compliance with applicable fiscal and legal policy and law prior to the KC directors' approval. This requirement is consistent with DoD's prohibition against conference authorities approving a conference without coordination with appropriate legal counsel.

(U//~~FOUO~~) The conference manual specifies the requirement for OGC approval for food and light refreshment when either is provided at a hosted conference, placing the responsibility for coordination on the KC. FM's April 2013 briefing slides additionally state that "FM should be notified once concurrence [on food] is obtained." However, the FM conference team acknowledged that this notification was not really a viable control. According to the team, they will note that food is involved in a particular conference and tell the KC, "Make sure this is approved by OGC." KCs do not always follow through in providing the requested confirmation e-mail. From a practical standpoint, OGC food coordination is done outside the FM conference team coordination process.

(U//~~FOUO~~) FM's OGC conferences contact explained that any coordination for food should be done prior to the submission of the consolidated quarterly package for OGC review. KCs usually coordinate legal and food issues directly with the respective OGC team or person having the responsibility or expertise, for example fiscal and ethics attorneys or the acquisition team. Different attorneys will respond to different requirements of conference coordination, based on the specific questions. OGC confirmed that OGC review of conference packages for the Director/NGA does not necessarily include review of proposed food purchases—it all depends on how the issues are framed and how much information the KC provides. However, the recent food checkbox added to the cost calculator tool will serve to alert OGC quarterly reviewers that food will be an issue and that the KC should have initiated detailed coordination with an OGC legal team.

(U//~~FOUO~~) In summary, legal coordination on an individual conference is predominantly between the KC and the respective OGC legal teams. The coordination is supposed to take place prior to the NGA component director's approval and separate from the OGC quarterly review at the end of the reporting cycle.

(U//~~FOUO~~) *Process Risk.* With the addition of the food checkbox to the cost calculator, there are now two controls that help to ensure adequate legal review of plans to provide food at a hosted conference. (The other is a KC's e-mailed "notification" to FM that it has obtained OGC's concurrence for food.) Previously, if a KC were to fail to obtain OGC concurrence on food plans, it was unclear the lapse would have been caught during OGC's quarterly summary review. The positive flag for an intent to provide food will help reduce the risk of OGC failing to realize that a conference involves food. However, the flag does not take the place of the coordination itself, which remains separate from the quarterly process. The two-part process modification introduces a different risk: since KCs will file the part II approval package internally, no agency-level office would be able to detect a KC's failure to initiate or complete part II coordination.

(U//~~FOUO~~) *Risk Mitigation.* FM intends to mitigate the remaining food-coordination risk by requiring KCs to document OGC approval of food and ethics issues in "part II" of the modified hosted-conference approval process. Although the most effective way to mitigate the coordination risk would be to integrate these legal concurrences with other approvals within a single reporting and approval process, such a solution would require major process reengineering. The food flag now implemented within the cost calculator,

combined with documentation of OGC approval of food and other issues in "part II" of a modified approval process, could effectively mitigate this risk, *provided part II coordination and approval occurs.* To mitigate the risk that a KC might not initiate or complete part II approval packages, FM could require KCs to provide a copy of the completed part II package.

(U) Site Selection and Approval (Process Risk 2)

(U//~~FOUO~~) Interviews with the FM conference team indicated KCs are required to submit a Cost Comparison Analysis Sheet for DCOO approval, but only when a facility charges a fee. The package includes a staff summary sheet and a decision memo; FM is included as a "coord." The FM conference team noted that the facility-fee field within a conference's cost calculator serves as a flag indicating that a cost comparison should have been performed; but as an indicator, it is not infallible. Organizations sometimes confuse facility fees with lodging fees. Instances of site fees are rare, and the FM conference team keeps a binder of the site approvals.

(U//~~FOUO~~) Process Risks. Conference manual guidance requires the KCs to document site cost analysis only when the selected site charges a fee. This is contrary to FTR and DoD guidance, which requires a record of the cost of each of at least three alternative sites considered when a conference involves 30 or more attendees.

(U//~~FOUO~~) The manual contains no detailed information about the forms to be submitted or their routing. We examined sample conference site cost-analysis spreadsheets, routing forms, and decision memorandums and found that only the template for the site cost-analysis spreadsheet had a link on the FM conferences Web site. Although interviews indicated approval was by the DCOO, with FM as a "coord," the conference manual states that the documentation is submitted to FM during the quarterly reporting process.[4] The actual site approval process is therefore unclear.

(U//~~FOUO~~) Risk Mitigation. The most effective way to mitigate the above risks is to (1) bring NGA guidance into conformance with Federal/DoD policy on cost analysis for hosted conferences with 30 or more attendees, (2) clarify who in NGA reviews and approves site selections, and (3) integrate the site-approval process with other approvals for the particular conference. As mentioned above, FM envisions site approval as taking place during part I of the revised two-part approval process. However, it is unclear whether this process would be integrated within the quarterly process or remain as a standalone, albeit executed concurrently.

(U) Conference Approval Packages (Process Risk 3)

(U//~~FOUO~~) At the time we reviewed the approval process, FM's cost calculator tool provided a checkbox for "KCD Approval" that the KC had to check before FM will process a conference request. However, beyond having a KC POC check this box, the process required no other artifact of a component director's approval until he or she

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4. (U) NGAM 7000.1, encl. 3, para. 3.a.(2).

signed a staff summary sheet and a summary list of conferences at the end of the quarterly reporting process.

(U//~~FOUO~~) As described above, FM plans to implement a two-part approach for obtaining approvals for hosted conferences. Both parts will require a staff summary sheet approved by the NGA component director. By the time both parts are completed, the component director will have been required to approve the respective conference's cost estimate; cost-benefit analysis; coordination with OCC, OGC, and FM; site cost comparisons; and threat assessments, if applicable.

(U//~~FOUO~~) Process Risk. FM's planned modification to the hosted-conference approval process would mitigate the risk of conference approvals based on nonsystematic documentation. The modification will standardize the packages required for parts I and II, which, in combination, will address all requirements. The risk for this solution is the same as for process risk 1 above: since KCs will file the part II approval package internally, no agency-level office would be able to detect a failure to initiate or complete part II coordination.

(U//~~FOUO~~) Risk Mitigation. If FM proceeds with the two-part process approval modification, it could mitigate the risk of a KC not initiating or completing a part II approval package by requiring KCs to provide a copy of the completed package.

(U) Initial OGC Quarterly Reviews (Process Risk 4)

(U//~~FOUO~~) At this stage of the process, the OGC review is mostly seeking to confirm that the event meets the definition of a conference and that the identified approval authority is correct, although the reviewer will question any legal aspect that appears wrong. The expectation is that any food coordination should have been done in advance of OGC's quarterly sign-off. As to whether it was possible that OGC might see a reference to food for the first time during a quarterly review, an interview revealed that this would be hard to determine, since five different attorneys could have been asked about food by the time the package arrives for review.

(U//~~FOUO~~) Process Risk. Most legal coordination for individual conferences takes place directly between the KC and the respective specialized OGC team or attorney. As a result, the OGC personnel conducting the quarterly review for the consolidated conferences package (that is, the OGC POC for the FM conference team and, for the final review, the Deputy General Counsel) may not be aware of earlier coordination or lack thereof. As described above, the new yes/no food checkbox for hosted conferences will alert OGC reviewers to the fact a conference involves food in the event earlier coordination has not occurred or was not documented. However, this control will not replace the need for detailed coordination of plans to provide food. FM intends to require KCs to capture explicit OGC opinions on food plans during part II of the modified hosted-conference approval process. The risk for this solution is the same as for process risks 1 and 3 above: since KCs will file the part II approval package internally,

no agency-level office would be able to detect a failure to initiate or complete part II coordination.

(U//~~FOUO~~) Risk Mitigation. The most effective way to mitigate the above risk is to integrate evidence of OGC concurrence with the food arrangements and other legal aspects, along with all other required approvals, on a staff summary sheet unique to the hosted conference. This approach would require major process reengineering. If FM proceeds with the two-part process approval modification, the risk of part II incompletion could be mitigated by requiring the KC to provide a copy of the completed part II approval package to FM.

(U) KC-Level Staff Summary Sheet (Process Risk 5)

(U//~~FOUO~~) The conference manual requires NGA components to produce an "internal" staff summary sheet for the purpose of capturing NGA component director approval of a KC's summary listing of conferences. The summary sheet is supposed to list the KC's cost-tool generated conference summary as an attachment. Other than this, there are no specified attachments for the summary sheet, nor does the manual provide any guidance as to its routing, filing, or retention.

(U//~~FOUO~~) Process Risk. Without further guidance, the purpose for the staff summary sheet, as well as its routing and retention, will be unclear to NGA components. As a result, implementation of the staff summary sheet is likely to be inconsistent. The need for clarity on the attachments to staff summary sheets is even more important if FM implements the planned two-part hosted-conference approval process, since both parts have their own staff summary sheets.

(U//~~FOUO~~) Risk Mitigation. If FM implements the two-part hosted-conference approval process, the risk can be mitigated by clearly specifying the required routing and attachments for both staff summary sheets, that is, for part I and II.

(U) Final OGC Quarterly Reviews (Process Risk 6)

(U//~~FOUO~~) This review constitutes the primary, official OGC coordination and is applied to the staff summary sheet for the package that the Office of the NGA Executive Secretariat will route to the Chief Operating Officer, Deputy Director/NGA, and Director/NGA. At the point the Deputy General Counsel signs the staff summary sheet, it is unclear exactly who in OGC may or may not have provided an opinion on food or other legal aspects of the listed conferences, as previously mentioned in process risk 4.

(U//~~FOUO~~) Process Risk. This risk is essentially the same as that described above for the initial OGC quarterly review. The new yes/no food checkbox for hosted conferences will alert OGC reviewers to the fact a conference involves food in the event earlier coordination has not occurred or was not documented. However, this control will not replace the need for detailed coordination of plans to provide food. FM intends to require KCs to capture explicit OGC opinions on food plans during part II of the modified

hosted-conference approval process. The risk for this solution is the same as for process risks 1, 3, and 4 above: since KCs will file the part II approval package internally, no agency-level office would be able to detect a failure to initiate or complete part II coordination.

(U//FOUO) Risk Mitigation. If FM proceeds with the two-part process approval modification, the risk of part II incompletion could be mitigated by requiring the KC to provide a copy of the completed part II approval package, which is to include evidence of a legal review of food plans, to FM.

(U) Recommendation

(U) For the Chief Financial Executive:

(U//FOUO) Recommendation 6. Revise the conference manual to reflect the Federal/DoD requirement to perform and document site-selection cost analysis for hosted conferences with 30 or more attendees, along with any waiver criteria FM may coordinate with higher authority. Clarify who in NGA reviews, coordinates, and approves site selections.

(U//FOUO) Recommendation 7. Improve the integration of the approval process for hosted conferences, particularly the aspects of legal review (including food) and site selection. One approach would be to capture all concurrences and approvals for a particular conference in a separate conference approval package and staff summary sheet within the existing quarterly process. This approach would involve significant process redesign along the lines presented in appendix F. FM's newly added food checkbox in the cost calculator promotes integration of existing processes and enables alternative modifications. If FM implements the two-part approval process for hosted conferences, consider the following additional actions:

- require the hosting KC to provide a copy of the completed part II approval package to FM in order to provide agency-level visibility on process closure (as planned, the KC will retain the record copy within NGA file series 212-02);
- identify the approving authority for site selections; and,
- clarify how KC's will obtain site-approval, and the exact relationship of this process to the quarterly re porting and approval process.

(U//~~FOUO~~) Finding 4. NGA-level procedures for administering nonoperational travel are limited to approving conference attendance; some additional controls exist within the Analysis Directorate

(U//~~FOUO~~) NGA-level procedures for administering nonoperational travel, as defined by the IC IG for this project, are limited to those established for approving employee attendance at conferences. These procedures are documented in the FM conference team briefing slides, the conference instruction, and the conference manual. The NGA travel instruction does not address nonoperational travel or any similar term, nor is there a requirement that it do so. Additional nonoperational travel controls exist within the Analysis Directorate. These controls are designed to regulate the Experiential Travel (ET) and the Analytic Advancement Travel (AAT) Programs. ET program controls are extensive. The AAT Program is new and includes the aspect of funding attendance at professional conferences. AAT-funded conference trips for 1st quarter FY 2013 were underreported to FM. Even with controls, the ET Program remains subject to fraud and abuse.

(U) Criteria

- The term "nonoperational travel" originated in the draft CDA. It was not defined.

- The FTR does not use the term "nonoperational travel." The six purposes of travel defined by the FTR are:
  - Employee emergency
  - Mission (operational)
  - Special agency mission
  - Conference—other than training
  - Training
  - Relocation

- DoD does not use the term "nonoperational travel." Defense Travel System (DTS) documentation provides the following options for trip purpose for travel authorized and reimbursed through that system:
  - Between tours travel
  - Conference attendance (defined as "to attend a conference, convention, seminar, or symposium for purposes of observation or education only, with no formal role in the proceedings.")
  - Emergency travel
  - Information meeting[5]
  - Other travel
  - Relocation
  - Site visit
  - Special mission travel
  - Speech or presentation

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5. (U) The DTS definition of "information meeting" is identical to that of "conference attendance."

- o Training attendance
- IC OIGs collaborating on inspection plans responsive to the CDA agreed on the following working definition for nonoperational travel:

    Travel not directly related to the performance of an employee's agency-defined operational or managerial duties. Includes travel to conferences (training and non-training) or to meetings attended in which the traveler has no formal role in the proceedings. Also includes travel to participate in training or developmental activities in the role of trainee or observer. Excludes local travel.

- NGA Instruction 5410.1R10, *Travel Management*, updated 16 November 2011
- *NGA Analysis Directorate Experiential Travel Program Standard Operating Procedure*, 5 October 2012

(U//~~FOUO~~) NGA Does Not Manage Nonoperational Travel as a Separate Category of Travel

(U//~~FOUO~~) Within NGA, FM has program responsibility for temporary duty travel. FM's primary vehicle for managing travel is NI 5410.1, which makes no distinction for nonoperational travel. Nor does it mention any recognizable variant, such as nonmission travel, administrative travel, etc. Interviews with FM travel managers confirmed that they do not distinguish nonoperational travel from other types. The new travel NI, in draft form, also makes no such distinction. FM also uses the JFTR/JTR and FTR to administer travel, but there are no other formal policies or directives at the agency level.

(U//~~FOUO~~) Applying the IC IG-derived definition of nonoperational travel to NGA, such travel would include travel authorized within the following DTS categories: (1) conference attendance, (2) information meeting, or (3) training attendance. The largest portion of NGA procedures relevant to these types of travel pertains to employee attendance at conferences. We addressed these procedures in finding 1. An additional set of relevant procedures exists within two programs administered by the Analysis Directorate's Analytic Development Division. These programs are described below.

(U//~~FOUO~~) ET Program Controls on Nonoperational Travel Are Extensive

(U//~~FOUO~~) The ET Program provides travel funds to enhance tradecraft beyond what can be gained through mission-specific travel. The program was established in 2003; the present Program Manager (PM) assumed responsibility in FY 2010. The ET Program currently resources two types of travel: area familiarization and analytic exchange. The former involves trips to an employee's area of responsibility to increase knowledge of political, religious, economic, military, security, and social and cultural issues. The latter provides trips to learn the capabilities of other production agencies or to interact with customers and partners. The budget for ET in FY 2012 was $1.503 million; in FY 2011 it was $800,000. Initial programing for FY 2013 was $1.6 million.

(U//~~FOUO~~) The ET Program is governed by an annually revised SOP that was last updated in October 2012. We examined this SOP and found it comprehensive. The nonoperational nature of ET is confirmed by the SOP, which states that "ET funds are not authorized for mission travel." Furthermore, the PM asserted that she would reject justifications that were mission related. The SOP places clear controls on allowable trips and funding levels. For example, employees are limited to one area-familiarization trip every three fiscal years, and trips are limited to $8,000 each. To enforce these controls, the PM creates a "no-fly" list to track which employees have already traveled and are not allowed to travel that year. She also monitors trip costs through DTS transaction reports, comparing actual costs to estimates. If the actual exceeds the estimate by more than $500, the traveler's office must pay the difference. Travelers are required to provide trip reports to the PM within 10 working days of return, and these reports are posted to promote knowledge sharing. ET guidance also makes the important distinction that while ET may be nonoperational, it is still *official* and must comply with the JFTR/JTR. The PM manages the ET Program at the individual trip level through Excel spreadsheets, a process she substantiated by providing us with electronic copies.

(U//~~FOUO~~) The PM stated that sequestration has had a dramatic effect on the ET Program. Although the ET budget this year is $1.6 million, she will use only about $200,000. During the period October 2012 through January 2013, the program operated normally. However, as sequestration concerns grew in February, the Acquisition Directorate deobligated $33,000 in planned ET trips. The PM stated there will be no more ET travel this year.

(U//~~FOUO~~) Until 1 October 2012, a major part of the ET Program involved resourcing travel to professional conferences. In FY 2012, the program paid for attendance at 90 conferences, although some may have been training courses. As explained below, this function has shifted, and ET resourced no travel to conferences in FY 2013. The ET Program makes no attempt to standardize the category of travel that participants enter in DTS under "trip purpose" and provides no guidance on this topic. Requiring participants who are attending professional conferences to select "conference attendance" on their DTS travel authorizations would help oversight authorities ensure that conferences attended are reported to FM as part of the quarterly reporting process.

(U//~~FOUO~~) **The AAT Program Now Funds Conferences; Attendance in 1st Quarter FY 2013 Was Underreported**

(U//~~FOUO~~) On 1 October 2012, the Analysis Directorate established the Analytic Advancement Travel (AAT), a new program designed to enhance the breadth and depth of analytic knowledge for directorate employees. AAT is chartered to provide travel to professional conferences, which it defines as "trips to network with other professionals external to NGA and to gain tradecraft specific knowledge." To validate whether AAT conference attendance was being reported to FM, we compared eight conference trip reports posted to the AAT NGANet Web page with FM's quarterly attendance summary. Of the eight trips, only one was accounted for in the NGA summary. One of the

unreported trips was to a conference attended by eight other Analysis Directorate employees whose attendance was reported.

(U//~~FOUO~~) The AAT Program also funds analytic tradecraft training, which provides trips to learn and improve methods of operational intelligence in the analytic domain. As the AAT Program is new, and funding to all experiential learning programs has been suspended for the rest of the year, we did not assess AAT controls on nonoperational travel beyond quarterly reporting of conference attendance.

(U//~~FOUO~~) Even With Controls, the ET Program Remains Subject to Fraud and Abuse

(U//~~FOUO~~) The OIG Investigations Division investigated two alleged instances of abuse of experiential travel, one occurring in FY 2011 and the other in FY 2012. In both cases, investigators relied on the ET SOP as a standard. The only SOP-based lapse documented by the investigations was one failure to submit a trip report, which occurred in July 2011. In all other respects, the subject trips had either not violated the parameters of the then-current SOP or the PM had acted to enforce the SOP controls. As an example of the latter, the PM required a traveler to submit a revised trip report after rejecting the initial submission as vague and not written according to ET policy.

(U//~~FOUO~~) Although the cases substantiated only one technical violation of the ET SOP, they also demonstrated that the ET program remains subject to fraud, abuse, and perceptions of favoritism. One investigation developed evidence that a traveler did not attend meetings scheduled as part of the trip, was improperly absent for 17 hours, and claimed compensation for the time absent. The other investigation concluded that trip circumstances created unfavorable perceptions among the work force. These included perceptions of failure to follow the intent of the ET program, waste of government funds, and ET trip selection based on favoritism by leaders. The program ultimately relies on an organization's leaders to communicate travel purpose and criteria and to select travelers fairly. It also relies on travelers' integrity not to use trips for unofficial purposes or fraudulent gain.

(U//~~FOUO~~) The evidence of two investigations is insufficient to suggest widespread fraud or abuse in the ET or AAT Programs. Controls are clearly in place within the ET Program and functioned in one of the cases. The PM's persistence in obtaining a proper trip report for the case involving the fraudulent claim arguably assisted in bringing the violation to light. However, due to the large amount of funding that the ET Program received in recent years, the OIG plans to pursue data mining and other forensic activities for detecting and deterring further fraud, waste, or abuse.

(U//~~FOUO~~) Apparent Administrative Error in NI 5410.1R10

(U//~~FOUO~~) NI 5410.1R10, *Travel Management*, appears to have erroneously subordinated the sections describing the overall travel process (preparations, reservations, actual travel, reimbursement, and supplemental vouchers) under the

heading "Conferences/Off-sites." This is potentially confusing since the NI therefore appears to be limited to travel to conferences and no other purposes.

(U) Recommendations

(U) For the Director, Analysis:

(U//~~FOUO~~) Recommendation 8. In the event that conference attendance under the AAT Program is funded in the future, require the AAT Program Manager to include within an SOP the requirement for the participant's KC (usually the Analysis Directorate) to report such conference attendance to FM under regular NGA quarterly reporting procedures.

(U) For the Chief Financial Executive:

(U//~~FOUO~~) Recommendation 9. Correct NI 5410.1R10, *Travel Management,* by separating the overall description of the travel process from the paragraph on "Conferences/Off-sites."

(U) Appendix A. List of Recommendations

(U) Recommendation	(U) Description of Benefits
(U) For the Chief Financial Executive	
1. (U//~~FOUO~~) The conference team should modify its internal process to include periodic, informal coordination with the NCW conferences coordinator, similar to that already conducted with the NCE conference center team.	Nonmonetary—Enhance Management Controls *Reinforce NCW compliance with procedures while enhancing FM conference team awareness of NCW conferences*
2. (U//~~FOUO~~) Revise the NGA instruction for conferences, to include the following: • The responsibility for KC directors to set a limit on the number of personnel necessary to accomplish the agency's mission in attending any particular conference (reference FTR § 301-74.18). • A more comprehensive set of roles and responsibilities covering all key persons in the conference planning and reporting processes, including KC conference POCs. • A definition of conference more closely reflecting the one established in the FTR and promulgated by USD(I).	Nonmonetary—Enhance compliance with laws, regulations, and standards *Ensures NGA standards reflect significant higher-level standards and that key responsibilities for compliance are assigned to specific individuals/roles.*
3. (U//~~FOUO~~) Revise the NGA conference manual to include the following: • The definition of light refreshments presented in the FTR (§ 301-74.11); • Light refreshment *deduction* guidance from the FTR (§ 301-74.21) and JFTR/JTR (app. R, pt. 1, paras. F, O); • Light refreshment *reimbursement* guidance from the JFTR/JTR (app. R, pt. 2, para. E); • Additional procedural details commensurate with those provided in FM's quarterly briefing slides; • Reference to the basic minimum level of detail required in conference cost calculators, for example, separate lines for airfare, lodging, and meals, and,	Nonmonetary—Enhance compliance with laws, regulations, and standards *Ensures NGA standards reflect significant higher-level standards and that the NGA conference manual clearly conveys documentation requirements.*

• Guidance on what documentation is required to demonstrate NGA component director approvals to increases in estimates of conference cost and attendance.	
4. (U//~~FOUO~~) Revise the NGA conference manual to include the following: • The list of cost comparison factors (FTR § 301-74.4), • The prohibition on obligating the government to pay vendors for goods and services before obtaining approval by the appropriate authority, • The detailed list of prohibited entertainment expenses, • The requirement to estimate the cost of all DoD personnel attending a hosted conference.	Nonmonetary—Enhance compliance with laws, regulations, and standards *Ensures NGA standards reflect significant higher-level standards.*
5. (U//~~FOUO~~) Work with the Security and Installations Directorate to establish a file series and disposition instructions for official records of conferences. This file series should contain, at a minimum, staff summary sheets documenting KC director approvals of hosted conferences, legal opinions, written documentation of the alternatives considered, and selection rationale used (reference FTR § 301-74.3); and, for conferences having 30 or more attendees, a record of the cost of each alternative conference site considered (reference FTR § 301-74.19).	Nonmonetary—Enhance management controls *Improves retention of and access to conference documentation for purposes of reviewing conference approvals and auditing expenditures.*
6. (U//~~FOUO~~) Revise the conference manual to reflect the Federal/DoD requirement to perform and document site-selection cost analysis for hosted conferences with 30 or more attendees, along with any waiver criteria FM may coordinate with higher authority. Clarify who in NGA reviews, coordinates, and approves site selections.	Nonmonetary—Enhance compliance with laws, regulations, and standards *Reinforce NGA compliance with Federal/DoD site selection requirements.*
7. (U//~~FOUO~~) Improve the integration of the approval process for hosted conferences, particularly the aspects of legal review (including food) and site selection. One approach would be to capture all concurrences and approvals for a particular conference in a separate conference approval package and staff summary sheet within the existing quarterly process. This approach would involve significant process redesign along the lines presented in appendix F. FM's newly added food checkbox in the	Nonmonetary—Enhance management controls *Mitigates process risk by ensuring that conference approvals are supported by integrated reviews of conference necessity and alternative approaches, cost comparisons, site selection,*

cost calculator promotes integration of existing processes and enables alternative modifications. If FM implements the two-part approval process for hosted conferences, consider the following additional actions: • require the hosting KC to provide a copy of the completed part II approval package to FM in order to provide agency-level visibility on process closure (the KC would be required to retain the record copy within NGA file series 212-02); • identify the approving authority for site selections; and, • clarify how KC's will obtain site-approval, and the exact relationship of this process to the quarterly reporting and approval process.	*propriety, congruence with agency message, legal/ethical considerations, and security. Ensures NGA site selection documentation complies with higher-level requirements.*
9. (U//~~FOUO~~) Correct NI 5410.1R10, *Travel Management*, by separating the overall description of the travel process from the paragraph on "Conferences/Off-sites."	Nonmonetary—Enhance management controls *Reduces potential confusion about the scope of the NI.*
(U) For the Director, Analysis	
8. (U//~~FOUO~~) In the event that conference attendance under the AAT Program is funded in the future, require the AAT Program Manager to include within an SOP the requirement for the participant's KC (usually the Analysis Directorate) to report such conference attendance to FM under regular NGA quarterly reporting procedures.	Nonmonetary—Enhance compliance with laws, regulations, and standards *Ensures that all KCs report conference attendance under the auspices of the AAT program to FM in accordance with NGA and higher level requirements.*

(U) Appendix B. Scope and Methodology

(U) SCOPE

(U//~~FOUO~~) The scope of this project was determined by a Congressionally directed action (CDA) within the classified annex to the draft Defense Appropriations Bill. The inspection team reviewed NGA procedures and controls designed to prevent misuse of taxpayer funds for inappropriate conferences and activities. The original topical scope included procedures NGA had in place to ensure compliance with applicable Federal laws and regulations on conferences, nonoperational travel, and employee award programs.

(U//~~FOUO~~) The project's scope was refined by the IC IG working group assigned to this CDA. The working group defined "effectiveness" as "the degree to which the procedures are complete and accurately reflect higher-level requirements and guidance such as those established in the FTR and by OMB and SECDEF." The working group also specified that the assessment of effectiveness would not involve testing of procedures. In addition, the group limited the scope of employee awards to those associated with the planning or conducting of conferences. As our document review found no indication of NGA policies and procedures governing such awards, and the CDA was ultimately withdrawn, we developed no findings or observations in that area.

(U//~~FOUO~~) The organizational scope included the Financial Management Directorate, the Office of General Counsel, the Security and Installations Directorate, and the Analysis Directorate.

(U) METHODOLOGY

(U//~~FOUO~~) The inspection team reviewed criteria documents (executive orders, regulations, directives, instructions, and manuals) describing conference hosting, attendance, and reporting throughout the Federal Government, DoD, IC, and NGA. We also reviewed relevant briefings, SOPs, and CONOPS. We conducted structured interviews of process owners, process participants, and program managers. We reviewed the complete NGA quarterly conference approval packages for the 1st and 2nd quarters, FY 2013. FM additionally provided us access to the NGA conference calculator tool.

(U//~~FOUO~~) We assessed the degree to which NGA policies and procedures completely and accurately reflected higher-level requirements and guidance by judgmentally sampling requirements from the Federal Travel Regulation, Joint Federal Travel Regulations/Joint Travel Regulation, and DoD and ODNI memos. We selected 16 requirements unique to hosting and eight requirements shared between hosting and attending. We then analyzed NI 7000.1, NGAM 7000.1, and FM's normative briefing slides for inclusion of these requirements.

(U//~~FOUO~~) We conducted conference cost- and attendance-variance analysis using Excel spreadsheets that FM provided to us. FM compiled these spreadsheets using KC inputs responsive to a DD/NGA requirement. We did not attempt to validate the KCs' original inputs or FM's compilation of the data.

(U//~~FOUO~~) To analyze the effectiveness of existing processes and their interaction, we charted the processes using a technique known as "deployment flowcharting." This technique forces the identification of all actors and organizes them into "swim lanes." Horizontal transactions between actors represent hand-offs of documents or information. We established the process flow through review of process descriptions, interviews with process owners and actors, and examination of process artifacts such as actual staff summary sheets.

(U) This inspection was conducted in accordance with the *Quality Standards for Inspections and Evaluations* of the Council of the Inspectors General for Integrity and Efficiency.

(U) Appendix C. Controls Common to Hosting and Attending a Conference

Controls Common to Hosting/Attending	NI 7000.1	NGAM 7000.1 (Draft)	NGA Briefings	Remarks
Definition of conference [Source: FTR Chapter 301, Appendix E; DEPSECDEF Memo, 29 Sep 2012]	O	O	O	Definition deviates from Federal and DoD definitions in that it does not qualify its reference to training
Indicia of a conference [DEPSECDEF Memo, 29 Sep 2012]		●	●	
Conference exemptions (7 types) [DEPSECDEF Memo, 29 Sep 2012]		●	●	
Limit attendees to *minimum number* determined by a senior official necessary to accomp mission; provide for consideration of travel expenses when selecting attendees [Source: FTR Part 301-74.18; JTR, Appendix R, para K]				No reference in NI, NGAM, or slides
Definition of light refreshments [Source: FTR Part 301-74.11]				No reference in NI, NGAM, or slides
Light refreshment deductions [Source: FTR Part 301-74.21, para F]				No reference in NI, NGAM, or slides
Reimbursability of the cost of light refreshments [Source: JTR, Appendix R, Part 2, para E]				No reference in NI, NGAM, or slides
Meal &Incidental Expense (M&IE) deductions [Source: FTR Part 301-74.21]		●	●	

Legend: ● = Control is fully and accuately cited in at least one place in the NGA document
O= Control is recognizably cited in NGA document, but cite is partial or inaccurate

(Figure is Unclassified)

(U) Appendix D. Controls Unique to Hosting a Conference

Hosting Controls	NI 7000.1	NGAM 7000.1 (Draft)	NGA Briefings	Remarks
Conduct business/host conferences in space controlled by the Federal Government ("local first") [Sources: EO 13589; USD(PR) Memo, 29 Feb 2012]	●	●	●	
Conference costs to consider (9 examples) [Sources: FTR Part 301-74.2; JTR Appendix R, Part 1, Para D.2; DEPSECDEF Memo 29 Sep 2012]	●		●	
Maintain written documentation of the alternatives considered and the selection rationale used [Sources: FTR Part 301-74.3; JTR, Appendix R, para E.1.e]		○		NGAM requires documentation via the quarterly and ad hoc processes. However, unclear how KC-level *consideration of alternatives* is documented. NGAM cites nonspecific "NGA records retention policy."
Consider alternative means of content delivery [Sources: FTR Part 301-74.3; USD(PR) Memo, 29 Feb 2012; DEPSECDEF Memo 29 Sep 2012]	●	○	●	NGAM mentions only alternative locations, not alternative means of delivery (VTC)
Cost comparison factors (7 factors) [Source: FTR Part 301-74.4]				No reference in NI, NGAM, or slides
For conferences with 30 or more attendees, *must consider a minimum of 3 sites and maintain a record of the cost of ea alternative site considered*; records must be made available to OIG or other interested parties [Source: FTR Part 301-74.19; JTR Appendix R, para 1H]		○	○	No reference to 30 attendees; adds a qualifier limiting to situations where a facility fee is charged; retention IAW "agency records policy," vice IG language
Generally cannot use approp funds for food at official duty station [Source: FTR Chapter 301, Appendix E]		●		
Appropriated funds not avail for mementos [Source: FTR Chapter 301, Appendix E]		●		
Mandatory use of CAPE tool [Sources: SECDEF Memo, 27 Dec 2010; USD(I) Memo, 21 Nov 2012]		●	●	NGA has substituted the FM cost calculator, with OSD approval
OGC coordination required [Sources: DEPSECDEF Memo, 29 Sep 2012; USD(I) Memo, 21 Nov 2012; USD(I) Memo, 26 Dec 2012]	●	●	●	
Entertainment prohibitions [Sources: DEPSECDEF Memo, 29 Sep 2012; USD(I) Memo, 21 Nov 2012; USD(I) Memo, 26 Dec 2012]	●	●	●	
Co-sponsorship or no-cost contract with non-Fed entity Reqmts [Sources: DEPSECDEF Memo, 29 Sep 2012; USD(I) Memo, 21 Nov 2012]		●	●	
Approval timing (No commitments prior to approval) [Source: DEPSECDEF Memo, 29 Sep 2012, Attch 1]	●		●	
Total cost calculation must include expenses paid by all DoD Components [Source: DEPSECDEF Memo, 29 Sep 2012, Attch 3]	○		●	NI derives conference expense definition from FTR without reference to DoD Components
Cost Tiers of approval [USD(I) Memo, 26 Dec 2012]		●	●	
NIP Guidelines [E/S 000649, 15 Nov 2011]		●		

Legend: ● = Control is fully and accuately cited in at least one place in the NGA document
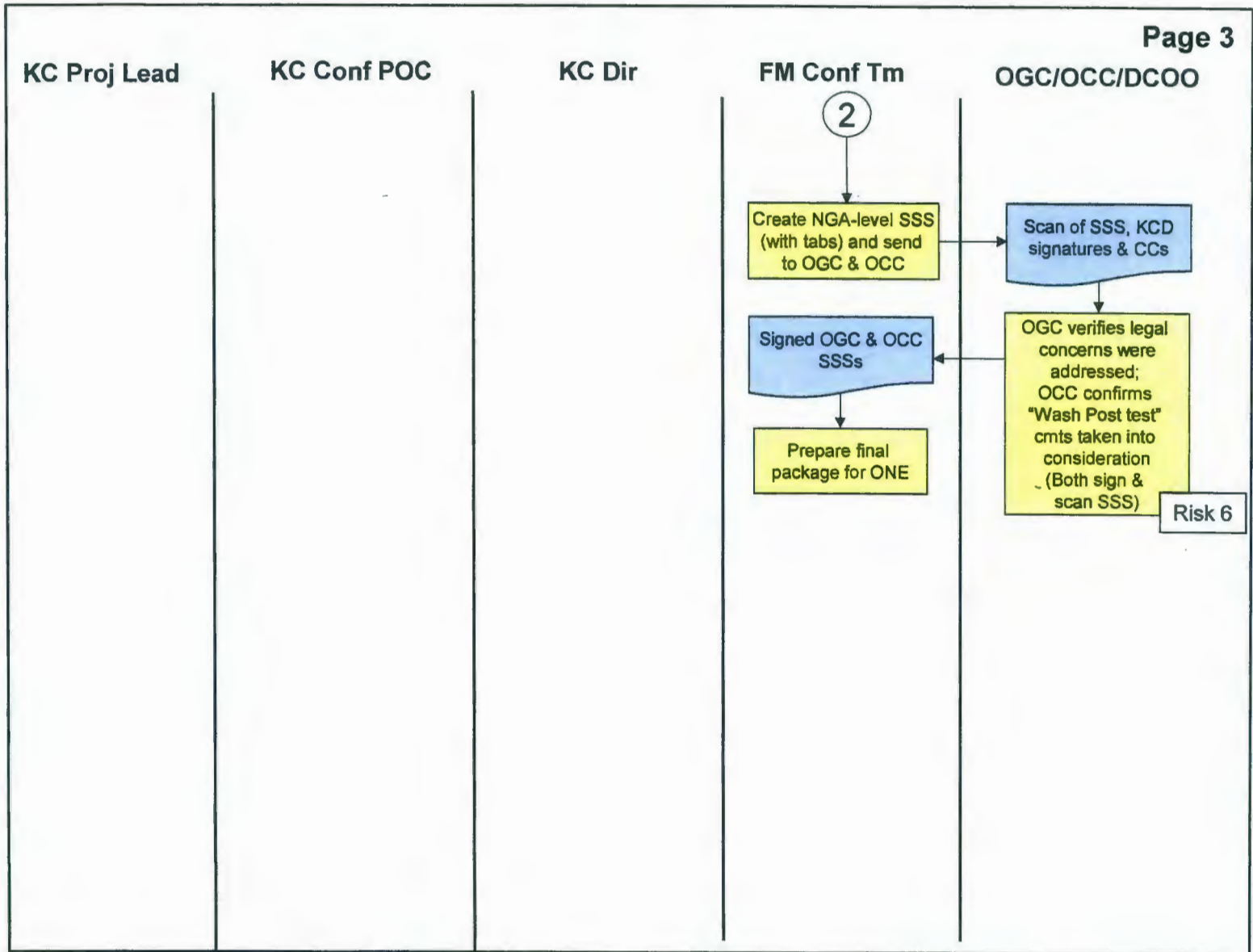○ = Control is recognizably cited in NGA document, but cite is partial or inaccurate

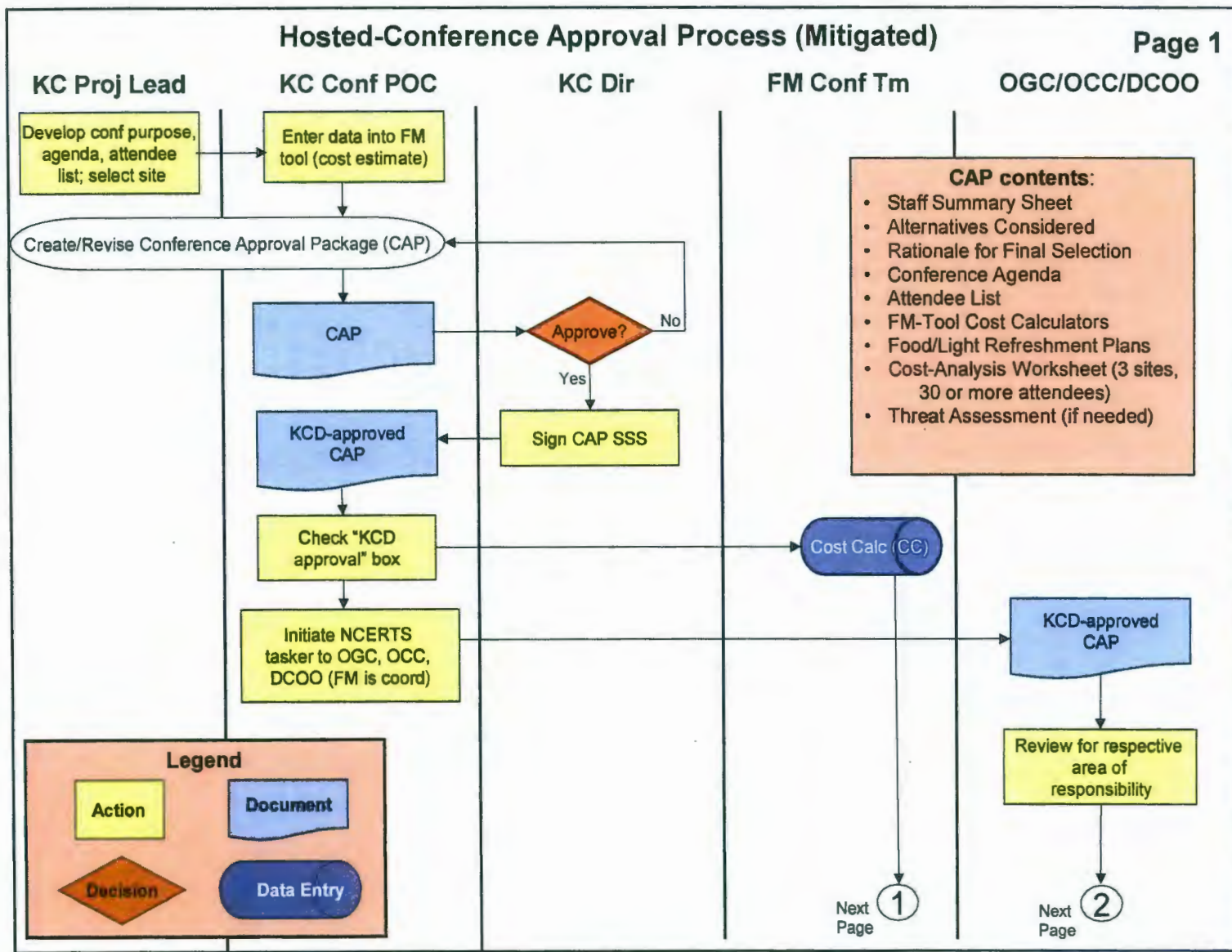## Quarterly Conference Approval Process (Current)

Page 1

| KC Proj Lead | KC Conf POC | KC Dir | FM Conf Tm | OGC/OCC/DCOO |

Develop conf purpose, agenda, attendee list; select site

Conduct legal coordination (including food)

Risk 1

E-mails or other direct coord with respective OGC attorney (Fiscal, Ethics, Admin, Acquisition)

Obtain site approval from DCOO (Only if site charges a fee)

Risk 2

Cost Comparison Analysis Sheet & SSS to DCOO (FM is "coord")

Descriptive Data

Conference proposal documents/info

Risk 3

Provide information to KC POC

Enter data into FM Tool (cost estimate)

Approve? — Yes → **Check "KCD approval" box**

No

Cost Calc (CC)

Print CCs, review, add cmts & questions, & scan. Create OGC spreadsheet.

Scan of marked-up CCs, plus spreadsheet

POC reviews scanned CCs, adds questions, annotates spreadsheet

Risk 4

Meet to discuss FM and OGC/OCC cmts; OGC provides cmts and spreadsheet

Next Page (1)

Legend

Action

Document

Decision

Data Entry

KC Proj Lead	KC Conf POC	KC Dir	FM Conf Tm	OGC/OCC/DCOO

(1)

Provide consolidated CC mark-up to KCs

Consolidated FM, OGC, OCC mark-up

Proj Lead and POC work conf revisions

Modify CC → Revised CC

Review revised CCs

[FM advises KC its CCs are OK] — Yes

OK?

No

Advise KC(s) of particular problem(s)

Print KC summary, CCs, & create KC-level SSS → Printed KC summary, CCs, & KC-level SSS

Sign? Yes

Signed KC summary and KC SSS

Risk 5

Scan signed KC summary & return to FM → Scan of signed KC summary

Next Page (2)

KC Proj Lead	**KC Conf POC**	**KC Dir**	**FM Conf Tm**	**OGC/OCC/DCOO**

② (2)

Create NGA-level SSS (with tabs) and send to OGC & OCC

Scan of SSS, KCD signatures & CCs

Signed OGC & OCC SSSs

OGC verifies legal concerns were addressed; OCC confirms "Wash Post test" cmts taken into consideration (Both sign & scan SSS)

Prepare final package for ONE

Risk 6

Hosted-Conference Approval Process (Mitigated)

Page 1

KC Proj Lead	KC Conf POC	KC Dir	FM Conf Tm	OGC/OCC/DCOO

KC Proj Lead: Develop conf purpose, agenda, attendee list; select site

KC Conf POC: Enter data into FM tool (cost estimate)

Create/Revise Conference Approval Package (CAP)

CAP

KC Dir: Approve? — No / Yes

Sign CAP SSS

KCD-approved CAP

Check "KCD approval" box

Cost Calc (CC)

Initiate NCERTS tasker to OGC, OCC, DCOO (FM is coord)

OGC/OCC/DCOO: KCD-approved CAP

Review for respective area of responsibility

CAP contents:
- Staff Summary Sheet
- Alternatives Considered
- Rationale for Final Selection
- Conference Agenda
- Attendee List
- FM-Tool Cost Calculators
- Food/Light Refreshment Plans
- Cost-Analysis Worksheet (3 sites, 30 or more attendees)
- Threat Assessment (if needed)

Next Page ①

Next Page ②

Legend
- Action
- Document
- Decision
- Data Entry

Page 2

KC Proj Lead	KC Conf POC	KC Dir	FM Conf Tm	OGC/OCC/DCOO

① ②

OGC/OCC/DCOO Comments

Concerns?
Yes No

Revise CAP & supporting docs as needed

Address issue(s) with KC

Collaborate on needed revisions; obtain KC Director's approval

Revise CC As needed

Revised CC

Concur on SSS; scan & upload to NCERTS

OGC/OCC/DCOO approvals

Upload revised CAP docs to NCERTS

Revised CAP docs

Review NCERTS to verify that CAP has all required approvals

Review revised CAP

Save record copy of CAP to official file

Add conferences with fully coordinated CAPs as a tab to quarterly package

(U) Appendix G. Abbreviations

(U) AAT	Analytic Advancement Travel
(U) CAP	Conference Approval Package
(U) CAPE	Cost of Hosting an Event
(U) CC	Cost Calculator
(U) CDA	Congressionally Directed Action
(U) CONOPS	Concept of Operations
(U) DTS	Defense Travel System
(U) ET	Experiential Travel
(U) FM	Financial Management Directorate
(U) FTR	Federal Travel Regulation
(U) GSA	General Services Administration
(U) IC	Intelligence Community
(U) IG	Inspector General
(U) JFTR/JTR	Joint Federal Travel Regulations/Joint Travel Regulation
(U) KC	key component
(U) NCE	NGA Campus East
(U) NCW	NGA Campus West
(U) NGA	National Geospatial-Intelligence Agency
(U) NGAM	NGA Manual
(U) NI	NGA Instruction
(U) OCC	Office of Corporate Communications
(U) ODNI	Office of the Director of National Intelligence
(U) OGC	Office of General Counsel
(U) OIG	Office of Inspector General
(U) OMB	Office of Management and Budget
(U) ONE	Office of the NGA Executive Secretariat
(U) OPM	Office of Personnel Management
(U) PM	Program Manager
(U) SECDEF	Secretary of Defense
(U) SI	Security and Installations Directorate
(U) SOP	Standard Operating Procedure
(U) USD(I)	Undersecretary of Defense for Intelligence
(U) VTC	video teleconference

(U) Appendix H. Report Distribution

(U) Director, NGA
(U) Deputy Director, NGA
(U) Chief Operating Officer
(U) Director, Security and Installations
(U) General Counsel
(U) Director, Office of Geospatial-Intelligence Management
(U) Director, Office of Corporate Communications
(U) Director, Analysis
(U) Chief Financial Executive

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