



OIG

Office of Inspector General

U.S. Department of State • Broadcasting Board of Governors

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AUD-CGI-17-07

Office of Audits

October 2016

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# Management Assistance Report: Department of State Conference Reporting

## MANAGEMENT ASSISTANCE REPORT

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## Summary of Evaluation

The Department of State (Department) holds conferences in support of foreign policy and national security objectives of the United States. Between FY 2013 and FY 2015, the Department reported approximately \$9,686,928 in conference spending.

The Office of Inspector General (OIG) conducted this evaluation to assess the Department's compliance with conference spending reporting requirements in accordance with Office of Management and Budget (OMB) Memorandum M-12-12<sup>1</sup> and the Consolidated and Further Continuing Appropriations Act, 2013, Public Law 113-6, Section 3003 (Public Law 113-6). Specifically, the objectives of this evaluation were to determine whether:

- The Department publicly reported in a dedicated place on its official website by January 31 of each year all conferences from the previous fiscal year where expenses exceeded \$100,000.  
The Department annually reported to OIG conferences held where expenses exceeded \$100,000 and reported within 15 days conferences held where expenses exceeded \$20,000.

OIG found that the Department generally complied with Federal conference reporting requirements. However, the FY 2015 public conference report was not posted on the Department's website until March, rather than January 31 as required. In addition, all applicable conference spending may not have been included. For example, in a previous audit,<sup>2</sup> OIG determined that the Department holds annual continuing medical education conferences with costs exceeding \$100,000. These conferences were not registered in the conference tracking and approval system (CTAS) or listed in the annual public conference reports for FY 2013 through FY 2015. However, personnel who work for the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation (M/PRI) stated that the medical education conferences should have been registered in CTAS. OIG determined that this omission called into question whether the Department was identifying and reporting all applicable conference spending.

The shortcomings in reporting all conference spending occurred, in part, because guidance from M/PRI regarding conference registration, approval, and reporting was inconsistent and unclear. Further, the Department had not reminded personnel about conference registration, approval, and reporting requirements since August 2014. Without consistent and clear guidance and periodic reminders to help ensure compliance, there is increased risk that conference registration requirements will be misunderstood and that the Department will not be able to ensure that all required conferences are accounted for and reported.

OIG made three recommendations to M/PRI to address the shortcomings identified in the Department's conference registration, approval, and reporting guidance. Based on the

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<sup>1</sup> OMB M-12-12, "Promoting Efficient Spending to Support Agency Operations," dated May 11, 2012.

<sup>2</sup> *Audit of Office of Medical Services Contracting Practices for Continuing Medical Education* (AUD-HCI-13-19, February 2013).

response from the Under Secretary for Management (see Appendix A), OIG considers all three recommendations resolved, pending further action. The response and OIG's reply follow each recommendation in the Results section of this report.

## OBJECTIVES

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OIG conducted this evaluation to determine whether the Department reported FY 2013, FY 2014, and FY 2015 conference spending information in accordance with OMB Memorandum M-12-12 and the Consolidated and Further Continuing Appropriations Act of 2013.<sup>3</sup> Specifically, the objectives of the evaluation were to determine whether:

- The Department publicly reported in a dedicated place on its official website by January 31 of each year all conferences from the previous fiscal year where expenses exceeded \$100,000.
- The Department annually reported to OIG conferences held where expenses exceeded \$100,000 and reported within 15 days conferences held where expenses exceeded \$20,000.

## BACKGROUND

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Conferences<sup>4</sup> and meetings sponsored by the Department support the foreign policy and national security objectives of the United States. Between FY 2013 and FY 2015, the Department reported approximately \$9,686,928 in conference spending. While conferences vary in their topics, they fall broadly into three categories: regional conferences or workshops for employees within particular job categories, conferences or workshops on current foreign policy topics and opportunities, and conferences designed to bring together Department offices with non-governmental organization partners.

### Federal Guidance

On May 11, 2012, OMB issued Memorandum M-12-12, which directed Federal agencies to "exercise discretion and judgment in ensuring that conference expenses<sup>5</sup> are appropriate, necessary, and managed in a manner that minimizes expense to taxpayers." It also required that by January 31 of each year, agencies publicly report, in a dedicated place on their official

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<sup>3</sup> Language in Section 3003 of the Act is reiterated in the Consolidated Appropriations Act, 2014, Public L. No. 113-76 § 742, and the Consolidated and Further Continuing Appropriations Act, 2015, Public L. No. 113-235 § 739.

<sup>4</sup> The Federal Travel Regulation, § 300.3-1, defines a conference as a "meeting, retreat, seminar, symposium, or event that involves attendee travel."

<sup>5</sup> OMB Memorandum M-12-12 defines conference expenses as "all direct and indirect conference costs paid by the Government, whether paid directly by agencies or reimbursed by agencies to travelers or others associated with the conference, but do not include funds paid under Federal grants to grantees. Conference expenses include any associated authorized travel and per diem expenses, hire of rooms for official business, audiovisual use, light refreshments, registration fees, ground transportation, and other expenses as defined by the Federal Travel Regulation."

website, a description of agency-sponsored conferences from the previous fiscal year where expenses exceeded \$100,000.<sup>6</sup> The reporting requirements of OMB Memorandum M-12-12 are as follows:

- Total conference expense incurred by the agency.
- Location.
- Date.
- Explanation of how conference advances the agency mission.
- Number of agency sponsored attendees (including paid travel expenses).

In addition, for any instances in which agency-sponsored conference expenses exceed \$500,000, OMB Memorandum M-12-12 requires the Federal agency to post on its official website a waiver from the agency head identifying the exceptional circumstances that entailed exceeding this threshold.

Public Law 113-6,<sup>7</sup> requires compliance with OMB Memorandum M-12-12 and imposes additional reporting requirements for conferences, requires annual reporting to OIG for conferences held by the Federal agency during the fiscal year with costs exceeding \$100,000, and requires Federal agencies holding conferences with costs exceeding \$20,000 to notify OIG within 15 days of the date of the conference. The requirements to notify OIG were extended by Consolidated Appropriations Act, 2014, Public Law 113-76,<sup>8</sup> and Consolidated and Further Continuing Appropriations Act, 2015, Public Law 113-235.<sup>9</sup> The requirements for reporting to OIG are included in Table 1.

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<sup>6</sup> OMB Memorandum M-12-12 states, “[A]gencies should focus on expenses related to conference sponsorship, conference hosting, or attendance of Federal employees at conferences sponsored or hosted by non-Federal entities.”

<sup>7</sup> Public L. No. 113-6, § 3003, March 26, 2013.

<sup>8</sup> Public L. No. 113-76, § 742, January 17, 2014.

<sup>9</sup> Public L. No. 113-235, § 739, December 16, 2014.

**Table 1: Public Law Reporting Requirements to OIG**

Requirements for Annual Report to OIG for Conferences Exceeding \$100,000	Requirements for Report to OIG Within 15 Days for Conferences Exceeding \$20,000
Description of Conference Purpose	Date
Number of Participants	Location
Detailed Statement of Costs	Number of employees attending
Food or Beverage	-
Audio-visual Services	-
Employee or Contractor Travel	-
Methodology Used to Determine Conference Costs	-
Contracting Procedures Used	-
Competitive Contracts	-
Cost Comparison Conducted to Evaluate Potential Contractors	-

**Source:** Public Law 113-6, Consolidated and Further Continuing Appropriations Act, 2013, § 3003.

## Department Policy and Procedures

The Department limits the Federal Travel Regulation's definition of a conference to events where attendance is optional; attendees are not limited to a particular country or international body; and there is no specific output, such as formal agreements or training certificates.

In February 2013, the Department implemented a web-based application called "CTAS"<sup>10</sup> to automate and streamline conference registration and approval and to meet both reporting requirements established by OMB Memorandum M-12-12 and Public Law 113-6. Additionally, the Department issued various guidance and Department Notices<sup>11</sup> on conference registration and approval.

### *Responsible Office*

M/PRI manages conference registration, approvals, and annual reporting. Specifically, M/PRI does the following:

- Maintains a conference website with guidance on registration and approval of conferences.
- Provides guidance to conference organizers on the registration and approval process.
- Approves conferences and assigns conference project codes through CTAS.
- Prepares an annual report on conference spending to OIG.
- Prepares an annual report on conference spending to the public.

<sup>10</sup> CTAS is available on the Department's intranet.

<sup>11</sup> Department Notices are used to disseminate general information domestically and worldwide.

M/PRI and, when applicable, the Under Secretary for Management, review and approve every conference request in CTAS. The conference request lists the conference purpose, proposed date, location, number of Department participants, and budget estimates. Once approved, the conference organizers receive a unique project code that must be used for all conference spending transactions.<sup>12</sup> The conference organizers must provide the project code to conference attendees, who are responsible for using the correct travel purpose identifier and project code in their E2Solutions<sup>13</sup> travel transactions. This project code enables a financial system roll-up, through the Department's Global Financial Management System, at the end of the year to generate the required reports without a separate data call.

## RESULTS

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### **The Department Generally Complied With Reporting Requirements; However, Guidance Needs Improvement**

OIG found that the Department generally complied with OMB Memorandum M-12-12 and Public Law 113-6 conference reporting requirements. However, the FY 2015 public conference report was not posted on the Department's website until March rather than January 31, as required. OIG also found that the information in the Department's CTAS contained estimated costs rather than actual costs and did not include all applicable conference spending. The shortcomings in reporting all conference spending occurred, in part, because guidance from M/PRI regarding conference registration, approval, and reporting was inconsistent and unclear. Without consistent and clear guidance and periodic reminders to help ensure compliance, there is increased risk that conference registration requirements will be misunderstood and the Department will not be able to ensure that all required conferences are accounted for and reported.

#### ***Compliance With Office of Management and Budget Memorandum M-12-12 Conference Reporting Requirements***

OIG found that the Department generally complied with the requirements of OMB Memorandum M-12-12 by publicly reporting conference expenses on the Department's website.<sup>14</sup> On February 2, 2016, OIG retrieved the FY 2014 public conference report from the

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<sup>12</sup> Conference spending transactions are, for example, procurement requests, external training requests, and travel transactions.

<sup>13</sup> The Department uses E2Solutions, a web-based end-to-end travel and expense management tool, for travel management services.

<sup>14</sup> OIG determined compliance based on the FY 2013, FY 2014, and FY 2015 conference reports publicly reported on the Department's website.

Department's website,<sup>15</sup> and on February 24, 2016, M/PRI provided OIG with the FY 2013<sup>16</sup> and FY 2015<sup>17</sup> public conference reports. Details of the conference information provided on the Department's website are in Table 2.

**Table 2: Conference Information for FYs 2013–2015 Reported on the Department's Website**

Fiscal Year	Number of Conferences Held or Attended Exceeding \$100,000	Number of Conferences Held or Attended Exceeding \$500,000
2013	5	0
2014	13	1 <sup>a</sup>
2015	18	1 <sup>b</sup>

<sup>a</sup> The actual expenditures for the FY 2014 Chiefs of Mission Conference as reported by the Department totaled \$850,743.

<sup>b</sup> The actual expenditures for the FY 2015 Chiefs of Mission Conference as reported by the Department totaled \$663,893.

**Source:** OIG prepared based on public conference reports.

For each of the conferences that exceeded \$500,000, the Department publicly reported a waiver signed by the Secretary stating the circumstance whereby expenditures exceeding \$500,000 were the most cost-effective option. Compliance details with respect to OMB Memorandum M-12-12 requirements to report conference descriptions are provided in Table 3.

**Table 3: Compliance With Office of Management and Budget Memorandum M-12-12 Requirements To Report Conference Descriptions**

Information Required To Be Reported on Department Website by January 31	Department Compliance
Total Conference Expenses Incurred by the Agency	✓
Location	✓
Date	✓
Explanation of How the Conference Advances the Agency Mission	✓
Number of Agency-Sponsored Attendees (including paid travel expenses)	✓
Waiver of OMB Memorandum M-12-12 for Conferences Exceeding \$500,000	✓

**Source:** OIG prepared based on a review of FY 2013, FY 2014, and FY 2015 conference reports posted on the Department's public website.

<sup>15</sup> "FY 2014 and FY 2015 Conference Expenditure Reports as Required by OMB Memorandum M-12-12" and "Waiver of OMB Memorandum M-12-12 \$500,000 Conference Prohibition for the 2014 and 2015 Chiefs of Mission Conference" are at <<http://www.state.gov/conferencereports/index.htm>>.

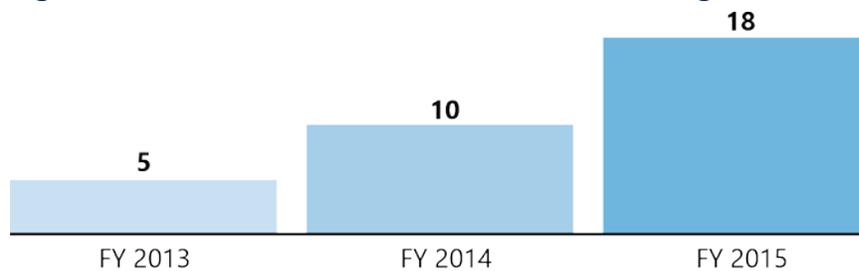
<sup>16</sup> Through a memorandum dated January 31, 2014, the Under Secretary for Management provided the Inspector General with the FY 2013 Conference Expenditure Report. Although that Report was previously posted on the Department's website, at the time of this evaluation, it was no longer available there.

<sup>17</sup> The FY 2015 Conference Expenditure Report was posted to the Department's website in March 2016.

### *Compliance With Public Law Conference Reporting Requirements*

OIG also found that the Department complied with Public Law 113-6 by providing an annual report to OIG for conferences held that exceeded \$100,000. Specifically, on February 28, 2014, OIG received the Department's FY 2013 Conference Spending Report; on February 1, 2015, OIG received the Department's FY 2014 Report on Conferences; and on May 11, 2016, OIG received the Department's FY 2015 Report on Conferences. OIG reviewed all reports and found that they generally included the elements required by Public Law 113-6.<sup>18</sup> The number of conferences the Department held where expenses exceeded \$100,000 as reported to OIG for FY 2013 through FY2015 are provided in Figure 1.

**Figure 1: Number of Conferences Held Exceeding \$100,000\***



\*The number of conferences reported in the OIG report may differ from the report posted by the Department on its website because the OIG report only includes information on conferences held by the Department, while the report on the Department's website includes information on conferences both held and attended.

**Source:** OIG prepared based on a review of the FY 2013, FY 2014, and FY 2015 conference reports provided to OIG

OIG found that the Department had a process in place that allowed OIG to obtain information required by the Acts<sup>19</sup> for conferences with costs that exceeded \$20,000 and to notify OIG within 15 days of the date of the conference. M/PRI did not send OIG formal notification that a conference had occurred but instead, on January 13, 2014, granted OIG access to CTAS so that OIG could view conference data the bureaus submitted. This allowed OIG to see the information that the Department was required to report to OIG, including the date, location, and number of Department-funded participants for conferences. Compliance details with respect to Public Law 113-6 requirements to report conference descriptions are provided in Table 4.

<sup>18</sup> OIG did not verify or validate the information contained in the reports.

<sup>19</sup> Public L. No. 113-6 § 3003, Public L. No. 113-76 § 742, and Public L. No. 113-235 § 739.

**Table 4: Compliance With Public Law Reporting Requirements To Report Conference Descriptions to OIG**

<b>Requirements for Annual Report to OIG for Conferences Exceeding \$100,000</b>	<b>Department Compliance</b>
Description of Conference Purpose	✓
Number of Participants	✓
Detailed Statement of Costs*	✓
Food or Beverage	✓
Audio-visual Services	✓
Employee or Contractor Travel	✓
Methodology Used to Determine Conference Costs	✓
Contracting Procedures Used*	✓
Competitive Contracts	✓
Cost Comparison Conducted to Evaluate Potential Contractors	✓

\*Not all conferences in the FY 2015 conference report to OIG included a complete description of this element.

Source: OIG prepared based on a review of the FY 2013, FY 2014, and FY 2015 conference reports provided to OIG.

<b>Requirements for Reporting to OIG Within 15 Days for Conferences Exceeding \$20,000</b>	<b>Department Compliance</b>
Date	✓
Location	✓
Number of employees attending	✓

Source: OIG prepared based on a review of CTAS for FY 2013, FY 2014, and FY 2015.

OIG found that bureaus and offices included estimated conference costs in CTAS but did not update CTAS with actual cost data following the conference. M/PRI personnel stated that CTAS typically reflected estimated data provided at the time of a conference request; thereafter, M/PRI gathered actual conference cost data from the Department's Global Financial Management System to develop the annual conference spending reports.<sup>20</sup> Consequently, although the Department generally complied with the requirements to notify OIG of the date, location, and number of attendees, if the conference estimate was below \$20,000 and the actual cost exceeded \$20,000, OIG would not be able to identify the conference in CTAS as one that required the Department to notify OIG within 15 days of the event.

Although the Department annually reported conference spending on its official website, submitted annual reports to OIG, and granted OIG access to CTAS, the information contained in CTAS and reported did not include all applicable conferences. For example, in OIG's February 2013 report,<sup>21</sup> OIG found that the Department held annual continuing medical education conferences

<sup>20</sup> M/PRI directs conference organizers and attendees to use conference project codes that are generated when a conference request is approved for each conference transaction, which enables a financial system roll-up through the Department's Global Financial Management System.

<sup>21</sup> The report *Audit of Office of Medical Services Contracting Practices for Continuing Medical Education* (AUD-HCI-13-19, February 2013) stated that OIG found that the Office of Medical Services (now the Bureau of Medical Services) typically hosted two continuing medical education conferences per year with costs exceeding \$100,000 for each conference.

with costs exceeding \$100,000. Additionally, OIG confirmed that these conferences took place in FY 2013, FY 2014, and FY 2015. However, these conferences were not registered in CTAS or listed in the FY 2013 through FY 2015 annual reports. M/PRI officials stated that the medical education conferences should have been registered in CTAS. OIG determined that this omission called into question whether the Department was reporting all applicable conference spending.

OIG contacted the Bureau of Medical Services to determine why these conferences were not registered in CTAS. A Bureau of Medical Services official stated that the Bureau of Medical Services sends a memorandum to the Under Secretary for Management to request approval to hold continuing medical education conferences. Bureau of Medical Services officials said that they thought that once the Under Secretary for Management approved a conference, the Bureau of Medical Services was not required to take any additional action and that someone else would register the conference in CTAS. The failure to report the conferences supports OIG's conclusion, described in more details that follow, that the Department's guidance related to conference spending needs to be improved.

### *Internal Guidance Needs Improvement*

The Department's document "Conference Tracking and Approval System FAQ [Frequently Asked Questions]" states, "[A]ll Department-sponsored conferences (except those with an FSI [Foreign Service Institute] course number) regardless of the cost must register." However, OIG noted that the guidance located on its M/PRI intranet regarding conference registration and approval was inconsistent. For example, for conferences that require Under Secretary for Management approval, the document "Overview of the Conference Approval Process" stated that conference organizers should register conferences requiring the travel of 50 or more Department-sponsored participants or exceeding \$100,000 in expenses at least 120 days in advance of the event. In contrast, the "Conference Tracking and Approval System FAQ" stated that the conference organizers should register conferences "early" in the planning period when conferences had more than 25 participants.

Also, the "Conference Tracking and Approval System FAQ" stated that external conferences with fewer than 25 attendees and less than \$50,000 in expenses across all bureaus did not have to be registered in CTAS. However, the "Overview of the Conference Approval Process" and the 2014 Department Notice "Updates on the Department's Policy on Conference Registration, Approval and Reporting" stated that external conferences sponsored by another organization with fewer than 50 attendees and less than \$100,000 in expenses across all bureaus did not require conference registration. Further, the 2014 Department Notice stated that conference organizers would be asked to update the conference information 30 days before and 60 days after the conference dates with final conference costs. However, this information was not stated in the "Conference Tracking and Approval System FAQ" and the "Overview of the Conference Approval Process." Although M/PRI officials stated that these documents are updated when changes occur, OIG determined that the inconsistencies occurred because M/PRI had not conducted a thorough review of all guidance available on its intranet and updated the guidance to ensure consistency.

OIG also found that M/PRI did not provide periodic notices to Department personnel on the requirements for conference registration, approval, and use of project codes to track conference spending. In February 2013, M/PRI disseminated conference registration, approval, and reporting information through a Department Notice and a webinar upon CTAS's launch. In August 2014, M/PRI issued a Department Notice regarding updates to the Department's policy on conference registration, approval, and reporting. Since August 2014, M/PRI has not issued reminders to Department personnel on these requirements for conference registration, tracking, and approval.

Without consistent guidance and periodic reminders to Department personnel, who often rotate throughout bureaus and positions, the risk is increased that conference registration requirements will be misunderstood and that the Department will not be able to ensure that all required conferences are accounted for and reported.

**Recommendation 1:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation, develop and disseminate formal guidance regarding registering, approving, and reporting conferences in compliance with Federal requirements.

**Management Response:** The Under Secretary for Management disagreed with the recommendation, stating that "formal guidance regarding approval and reporting of conferences existed in the Department before OMB Memorandum M-12-12 was published" and that "the Department updated its guidance to meet the subsequent Federal requirements." Additionally, the Under Secretary for Management made a general comment that "more than 200 conferences registered in CTAS in FY 2015, showing that CTAS is widely used."

**OIG Reply:** OIG recognizes that the guidance cited existed before OMB Memorandum M-12-12 was issued. However, as described in this report, OIG found the Department's current guidance to be inconsistent and unclear. For example, the annual continuing medical education conferences were not registered in CTAS or listed in the annual reports for FY 2013 through FY 2015 because the guidance was not clear as to which officials within the Bureau of Medical Services were responsible for this task. Nevertheless, the response from the Under Secretary for Management to Recommendation 3—to add conference reporting requirements to the Foreign Affairs Manual and/or the Foreign Affairs Handbook—satisfies the intent of this recommendation. Therefore, OIG considers this recommendation resolved, pending further action. This recommendation will be closed when OIG receives and accepts documentation demonstrating that the Foreign Affairs Manual and/or the Foreign Affairs Handbook has been updated to clarify registering, approving, and reporting conferences in compliance with Federal requirements.

**Recommendation 2:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation (M/PRI), ensure that all guidance is consistent with respect to registering, approving, and reporting conferences on M/PRI's website.

**Management Response:** The Under Secretary for Management neither agreed nor disagreed with the recommendation, stating that M/PRI is “reviewing the CTAS website to update it and remove any guidance that is inconsistent or confusing.”

**OIG Reply:** OIG considers the recommendation resolved based on M/PRI’s plan to review the CTAS website and update its guidance to improve consistency and clarity. This recommendation will be closed when OIG receives and accepts documentation demonstrating that M/PRI has updated its guidance on the CTAS website to ensure the guidance is consistent and clear.

**Recommendation 3:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation, develop and implement a communications strategy to periodically keep Department of State personnel informed of conference registration, approval, and reporting requirements to ensure the integrity of the data is accurately reported and errors are corrected in a timely manner.

**Management Response:** The Under Secretary for Management neither agreed nor disagreed with the recommendation, stating that “[t]he CTAS system is used regularly in the Department, attesting to the fact that the Department has disseminated information about the system effectively; procedures are readily available to all.” However, the Under Secretary for Management also stated that, “[t]o improve the process further,” M/PRI will “create an additional workflow to the CTAS process” to remind conference organizers of their responsibility to provide the most accurate data possible at the time their conference is approved” and will implement “automated reminders 30 days before and 60 days after the conference” to provide the most up-to-date and accurate data. M/PRI will also issue annual Department Notices describing registration and reporting requirements and will add conference reporting requirements to the Foreign Affairs Manual and/or the Foreign Affairs Handbook. Additionally, the Under Secretary for Management stated OIG could contribute to enhancing awareness of the reporting requirements by adding this item its inspection checklist.

**OIG Reply:** OIG considers the recommendation resolved based on M/PRI’s plan to create an additional workflow to the CTAS process to remind conference organizers, issue annual Department Notices describing registration and reporting requirements, and add conference reporting requirements to the Foreign Affairs Manual and/or Foreign Affairs Handbook. This recommendation will be closed when OIG receives and accepts documentation demonstrating that M/PRI has implemented the actions stated that are intended to keep Department personnel informed of conference registration, approval, and reporting requirements.

## CONCLUSION

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The Department generally complied with the OMB Memorandum M-12-12 conference reporting requirements and with the reporting requirements in Public Law 113-6. However, the Department did not post on its public website the FY 2015 public conference report until March rather than January 31, as required. In addition, all applicable conference spending may not have been included. To help ensure that all applicable conference information is accurately identified and reported in a timely manner, the Department should improve related guidance about registering and approving conferences.

OIG conducted this evaluation in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2012 by the Council of the Inspectors General on Integrity and Efficiency. OIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions presented in this report and trusts that this Management Assistance Report will be useful to M/PRI in ensuring all applicable conference spending is reported in accordance with Federal requirements.

## RECOMMENDATIONS

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**Recommendation 1:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation, develop and disseminate formal guidance regarding registering, approving, and reporting conferences in compliance with Federal requirements.

**Recommendation 2:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation (M/PRI), ensure that all guidance is consistent with respect to registering, approving, and reporting conferences on M/PRI's website.

**Recommendation 3:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation, develop and implement a communications strategy to periodically keep Department of State personnel informed of conference registration, approval, and reporting requirements to ensure the integrity of the data is accurately reported and errors are corrected in a timely manner.

## APPENDIX A: UNDER SECRETARY FOR MANAGEMENT RESPONSE

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United States Department of State

*Under Secretary of State  
for Management*

*Washington, D.C. 20520*

September 29, 2016

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TO: OIG/AUD – Norman P. Brown

FROM: M – Patrick F. Kennedy *PM*

SUBJECT: Response to OIG Management Assistance Report: Department of State Conference Reporting

We disagree with some elements of the draft Management Assistance Report on Department of State Conference Reporting. The Department established the Conference Tracking and Approval System (CTAS) February 15, 2013 to comply with Federal conference reporting requirements. CTAS data is available to the OIG at any time, allowing OIG review before the formal reporting deadline on the 15-day, \$20,000 reporting requirement. There were more than 200 conferences registered in CTAS in FY 2015, showing that CTAS is widely used.

**Recommendation 1:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing and Innovation develop and disseminate formal guidance regarding registering, approving, and reporting conferences in compliance with Federal requirements.

*We disagree with this recommendation. Formal guidance regarding approval and reporting of conferences existed in the Department before OMB12-12 was published. The Department updated its guidance to meet the subsequent Federal requirements.*

**Recommendation 2:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing and Innovation ensure that all guidance is consistent with respect to registering, approving, and reporting conferences on the Under Secretary for Management, Office of Management Policy, Rightsizing and Innovation website.

*M/PRI is reviewing the CTAS website to update it and remove any guidance that is inconsistent or confusing.*

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**Recommendation 3:** OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing and Innovation develop and implement a communications strategy to periodically keep Department personnel informed of conference registration, approval, and reporting requirements to ensure the integrity of the data is accurately reported and errors are corrected in a timely manner.

*The CTAS system is used regularly in the Department, attesting to the fact that the Department has disseminated information about the system effectively; procedures are readily available to all. To improve the process further, M/PRI has requested that database administrators create an additional workflow to the CTAS process to remind conference organizers of their responsibility to provide the most accurate data possible at the time their conference is approved. Automated reminders sent out 30 days before and 60 days after the conference will also aim to elicit the most up to date data. M/PRI will issue annual Department Notices detailing registration and reporting requirements, and will add conference reporting requirements to the FAM and/or FAH. The OIG could contribute to enhancing awareness of the reporting requirements by adding this item to its inspection checklists.*

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## OIG AUDIT TEAM MEMBERS

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