



August 21, 2013

MEMORANDUM FOR: Edward Horton
Director, Office of Administrative Services

FROM: Ann C. Eilers 
Principal Assistant Inspector General for Audit and Evaluation

SUBJECT: Departmental Conference Spending
Second Quarter, Fiscal Year 2013

This memorandum summarizes our observations on the Department's conference spending for the second quarter of fiscal year (FY) 2013, which ended March 31, 2013. We examined information received May 16, 2013, from the Office of Administrative Services on total conference spending, conferences costing more than \$100,000, the location and cost of conferences held outside the continental United States, costs for operating units that used conference planners, and conference costs per attendee when those expenses exceeded \$5,000.

The Department was required by an appropriations provision for FY 2012 to submit quarterly reports to OIG on conferences costing more than \$20,000. The Consolidated and Further Continuing Appropriations Act of 2013 (P.L. 113-6) requires an annual report on conferences held during FY 2013 that cost more than \$100,000. OIG plans to complete periodic analyses of conference expenditures, which should prompt discussions and promote improved oversight of issues related to conference spending. Some issues may require follow-up and possible corrective action.

Summary Observations

- The Department's spending, including estimates, on all conferences for the quarter totaled \$4.26 million. (We have noted when the Department's Office of the Secretary, Office of General Counsel, included costs for training conferences involving its Commercial Law Development Program.¹) Nine of the Department's 13 operating units had conference costs reported (see attachment, table 1).
- Nine conferences cost \$100,000 or more each, for a total of \$1.92 million (see attachment, table 2). This total represents more than 40 percent of all conference spending for the quarter. Census, NOAA, OS and EDA each had two conferences—and

¹ Established in 1992, the Commercial Law Development Program (CLDP)—a unit within the U.S. Department of Commerce, Office of the Secretary (OS) Office of General Counsel (OGC)—provides training to foreign delegations in the U.S. and worldwide to improve commercial legal frameworks, to help achieve U.S. foreign policy goals in developing and postconflict countries.

BIS had one—each costing more than \$100,000. Four of the Department's nine operating units that reported conference costs—ITA, NTIA, USPTO, and NIST—held no conferences exceeding \$100,000.

- Spending on conference planners ranged from \$8,137 to \$44,079 per conference for the three operating units listed as using planners. The planner accounted for almost 90 percent of costs for a NIST conference held in Chicago (see attachment, table 3).
- The highest costs per attendee ranged from \$5,735 to \$10,429. These were at seven conferences held by three operating units (see attachment, table 4).

Follow-Up

Please review the summary observations within 30 days of the date of this letter, particularly those related to (1) conferences with average costs-per-attendee exceeding \$5,000, (2) those conferences using planning services, and (3) conferences held outside of the continental U.S. Our offices will then meet to discuss ways that this information can help the Department consider changes to future conference spending.

Attachment

cc: Frederick Stephens, Deputy Assistant Secretary for Administration
Ellen Herbst, Chief Financial Officer and Assistant Secretary for Administration

Attachment

**Table I. Departmental Conference Spending per Operating Unit,
Second Quarter, FY 2013**

Operating Unit^a	Total Costs
Census	\$1,172,362
OS	\$1,010,497 ^b
NOAA	\$626,866
ITA	\$423,221
NIST	\$422,578
EDA	\$237,578
USPTO	\$201,669
BIS	\$144,990
NTIA	\$23,803
Total	\$4,263,564

Source: OS

^a Operating units with no reportable conference costs included BEA, MBDA, NTIS, and OIG; ^b total does not include Dar es Salaam, Tanzania, conference costs of \$258,479.

**Table 2. Departmental Conferences Costing \$100,000 or More,
Second Quarter, FY 2013**

Operating Unit	Location	Dates	Name of Conference	Attendees from Department	Total Attendees	Total Costs
Census	Atlanta, GA ^a	1/8/2013– 1/10/2013	National Ambulatory Medical Care Survey (NAMCS) and the National Hospital Care Survey (NHAMCS) Refresher Training	319	324	\$418,189
Census	Atlanta, GA ^a	1/7/2013– 1/9/2013	NAMCS and NHAMCS Refresher Training	279	291	\$397,460
OS	Dar es Salaam, Tanzania	3/19/2013– 3/21/2013	Workshop on the Practical Approaches to Intellectual Property (IP) Utilization and Protection ^b	2	200	\$258,479 ^c
NOAA	Austin, TX	1/5/2013– 1/10/2013	National Weather Service/ American Meteorological Society Conference	114	132	\$242,578 ^c
BIS	Irvine, CA	2/25/2013– 2/26/2013	Export Control Forum	21	214	\$144,990
EDA	Aurora, CO	3/18/2013– 3/22/2013	Leadership Assessment, Level 2	21	21	\$121,093
NOAA	Anchorage, AK	1/21/2013– 1/25/2013	Alaska Marine Science Symposium	70	70	\$117,607
EDA	Aurora, CO	1/28/2013– 2/1/2013	Leadership Assessment, Level I	25	25	\$116,485
OS	Washington, DC, New Jersey, ^d and Columbus, OH ^e	2/3/2013– 2/8/2013	Iraq: Metering and Technical Barriers to Trade (TBT) U.S. Consultations ^b	1	10	\$104,292
Totals				852	1,287	\$1,921,173

Source: OS

^a Two sessions of the same conference, with separate costs listed for each session; ^b training conferences involving OS OGC CLDP; ^c total costs estimated; ^d city not provided; ^e although held in three cities, listed as a single conference.

**Table 3. Conference Planners' Costs,
Second Quarter, FY 2013**

Operating Unit	Location	Dates	Name of Conference	Total Attendees	Total Costs	Conference Planner Costs	Portion of Costs (%)
OS	Dar es Salaam, Tanzania	3/19/2013–3/21/2013	Workshop on the Practical Approaches to IP Utilization and Protection ^a	200	\$258,479	\$26,886 ^b	10.4
OS	Washington, DC, New Jersey, ^c and Columbus, OH	2/3/2013–2/8/2013	Iraq: Metering and TBT U.S. Consultations ^a	10	\$104,292	\$21,129	20.3
OS	Abu Dhabi, UAE	2/10/2013–2/14/2013	Third Annual Vis Middle East Pre-Moot International Commercial Arbitration	16	\$65,879	\$16,126 ^b	24.5
OS	Washington, DC	1/24/2013–1/31/2013	U.S. Consultations on Adjudication of IP Infringement Cases	12	\$84,495	\$12,524	14.8
OS	Rabat, Morocco	3/13/2013–3/14/2013	Maghreb: Regional Conference on the Prevention of Counterfeit Products	37	\$76,990	\$12,459	16.2
OS	Washington, DC, and New York City, NY	2/24/2013–3/6/2013	Commercial Diplomacy Training and Consultations ^a	25	\$69,024	\$11,584	16.8
OS	Vienna, Austria	3/21/2013–3/29/2013	Vis Moot Vienna	1,501	\$58,850	\$11,468 ^b	19.5
OS	Doha, Qatar	2/24/2013–2/27/2013	Oil and Gas Tour ^a	10	\$67,841	\$10,323 ^b	15.2
OS	Sarajevo, Bosnia–Herzegovina (BiH)	3/27/2013–3/29/2013	BiH Benchbook Launch Program and IP Adjudication Workshop	97	\$56,631	\$8,835 ^b	15.6
OS	Kiev and Odessa, Ukraine	3/25/2013–3/29/2013	Ukraine IP and Innovation Workshop	80	\$46,303	\$8,772 ^b	19.0
OS	Istanbul, Turkey	3/11/2013–3/13/2013	Investment Law Consultations— Istanbul ^a	14	\$53,072	\$8,629 ^b	16.3
OS	Austin, TX	2/27/2013–3/2/2013	Association of Technology Managers(AUTM) Annual Meeting	4	\$33,499	\$8,137	24.3

Operating Unit	Location	Dates	Name of Conference	Total Attendees	Total Costs	Conference Planner Costs	Portion of Costs (%)
NIST	Chicago, IL	3/3/2013	Cloud Computing Smart Systems Supply Chain Standards Education Workshop	44	\$49,321	\$44,079	89.4
NIST	Huntsville, AL	1/16/2013	Blueprint for Action: Workshop on the Design of the National for Manufacturing Innovation (NNMI)	354	\$56,781	\$32,308	56.9
NIST	St. Louis, MO	1/29/2013–1/30/2013	MEP Update Meeting	153	\$77,968	\$18,344	23.5
NIST	Savannah, GA	1/31/2013–2/2/2013	Working Group on Presenting Forensic Science Evidence Using Quantitative and Qualitative Terms	15	\$44,000	\$10,000	22.7
USPTO	Alexandria, VA	3/6/2013–3/8/2013	Trilateral Strategic Working Groups/ IP5 Deputy Heads of Offices	43	\$67,834	\$25,764	38.0
Totals				2,615	\$1,271,259	\$287,367	22.6

Source: OS

^a Training conferences involving OS OGC CLDP; ^b total costs estimated; ^c city not provided.

**Table 4. Departmental Conferences Costing \$5,000 or More per Attendee,
Second Quarter, FY 2013**

Operating Unit	Location	Dates	Name of Conference	Total Attendees	Total Costs	Cost per Attendee
OS	Washington, DC, New Jersey, ^a and Columbus, OH	2/3/2013–2/8/2013	Iraq: Metering and TBT U.S. Consultations ^b	10	\$104,292	\$10,429
OS	Austin, TX	2/27/2013–3/2/2013	AUTM Annual Meeting	4	\$33,499	\$8,375
OS	Washington, DC	1/24/2013–1/31/2013	U.S. Consultations on Adjudication of IP Infringement Cases	12	\$84,495	\$7,041
OS	Doha, Qatar	2/24/2013–2/27/2013	Oil and Gas Tour ^b	10	\$67,841	\$6,784
NOAA	Hobart, Australia	1/13/2013–1/19/2013	World Meteorological Organization–Intergovernmental Panel on Climate Change Fifth Assessment Report	12	\$74,573	\$6,214
NOAA	New Orleans, LA	1/6/2013–1/13/2013	Multibeam Sonar Training Course	11	\$63,087	\$5,735
EDA	Aurora, CO	3/18/2013–3/22/2013	Leadership Assessment, Level 2	21	\$121,093	\$5,766

Source: OS

^a City not provided; ^b training conferences involving OS OGC CLDP.