



Report In Brief

AUGUST 6, 2015

Background

The General Services Administration's (GSA's) Federal Travel Regulation (FTR) defines premium-class travel as the use of anything other than coach-class accommodations, such as business- or first-class accommodations. The FTR also requires that premium-class travel occur only when the traveler's agency specifically authorizes the use of such accommodations and only under specific circumstances.

To oversee and monitor the Department's use of premium-class travel, the Department established authorization and justification requirements that each traveler must meet prior to using premium-class travel. The Office of Administrative Programs (OAP) Directorate, within the Office of Financial Management, maintains the Department's premium-class travel policy through the Department's *Travel Handbook* and supplemental travel bulletins. In turn, OAP relies on Departmental operating units to properly carry out and execute the established federal and departmental policies when authorizing and justifying premium-class travel.

Why We Did This Review

Federal agencies are required to submit annual reports to GSA outlining their use of premium-class travel. These reports must include the traveler's name, origin and destination, the purpose of travel, and travel costs. The objective of this audit was to evaluate controls over the Department's premium-class travel spending. Specifically, we assessed whether the Department has established effective controls over approval, justification, and documentation of premium-class travel in order to comply with the FTR and applicable laws, regulations, and policies.

OFFICE OF THE SECRETARY

The Department Must Strengthen Controls over Premium-class Travel Justification, Approval, and Reporting

OIG-15-034-A

WHAT WE FOUND

Premium-class travel was not properly supported and/or justified. Specifically, for more than half of the instances we reviewed, we found that the Department relied on outdated or incomplete medical documentation or that the operating unit files did not contain the required premium-class travel justifications. We also found travel instances that did not comply with the FTR. As a result, we question whether the additional \$112,164 that the Department spent on the premium-class travel instances we reviewed was warranted.

Unauthorized officials approved use of premium-class travel. For nearly half of the travel instances reviewed, we found that the operating units did not comply with Departmental policy when authorizing premium-class travel.

Premium-class travel reported to GSA was inaccurate/incomplete. The Department's FY 2013 and FY 2014 premium-class travel reports to GSA contained inaccurate information for 49 percent of the travel instances reviewed. In addition, ITA does not have a process for reporting premium-class travel taken by its overseas staff.

WHAT WE RECOMMEND

We recommend that the Chief Financial Officer and Assistant Secretary for Administration do the following:

1. Revise relevant Departmental directives, such as Department Administrative Order 215-10, to include policies and procedures on the use of premium-class travel accommodations due to a medical necessity.
2. Develop a standardized training protocol for reasonable accommodation coordinators.
3. Revise the Department's *Travel Handbook* to provide the operating units with clarification on what constitutes an acceptable written justification when using the 14-hour rule for premium-class travel.
4. Revise the *Travel Handbook* to emphasize that a CD-334 is required in every premium-class travel instance at all operating units, as well as documentation to support premium-class travel justifications used (where appropriate).
5. Revise the *Travel Handbook* to identify the Department and operating unit-level officials who may authorize the use of premium-class travel and determine how to handle instances when authorized officials are unavailable.
6. Develop a process for operating units to certify the accuracy of the travel data reported annually to GSA, as well as a process for centralizing operating unit premium-class travel records.
7. Request from the U.S. Department of State periodic reports of the premium-class travel taken by overseas staff and include any premium-class travel in the Department's annual report to GSA.