

THOMAS R. CARPER, DELAWARE, CHAIRMAN

CARL LEVIN, MICHIGAN
MARK L. PRYOR, ARKANSAS
MARY L. LANDRIEU, LOUISIANA
CLAIRE McCASKILL, MISSOURI
JON TESTER, MONTANA
MARK BEGICH, ALASKA
TAMMY BALDWIN, WISCONSIN
HEIDI HEITKAMP, NORTH DAKOTA

TOM COBURN, OKLAHOMA
JOHN MCCAIN, ARIZONA
RON JOHNSON, WISCONSIN
ROB PORTMAN, OHIO
RAND PAUL, KENTUCKY
MICHAEL B. ENZI, WYOMING
KELLY AYOTTE, NEW HAMPSHIRE

United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510-6250

RICHARD J. KESSLER, STAFF DIRECTOR
KEITH B. ASHDOWN, MINORITY STAFF DIRECTOR

June 3, 2013

The Honorable Jacob J. Lew
Secretary
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Lew:

I am writing you today requesting clarification on why certain conference expenditure data from the Internal Revenue Service (IRS) was omitted from the department's response to my request for all conference expenditure data from the Department of Treasury.

On April 16, 2012, I wrote to then-Treasury Secretary Timothy Geithner requesting a full listing of all conferences attended by department employees during fiscal years 2010, 2011, and 2012, including the title, location, date, and number of employees who attended. Additionally, the letter requested a full listing of conferences that received financial support from the agency, including those where it was the primary host, a sponsor, or provided some other support.

In response, Treasury provided a list titled "Treasury Departmental Offices Overnight Conferences (1/1/2005 – 6/1/2012) Attended by 50 or more Treasury Staff." On that list, there were only five conferences, with a total cost under \$500,000. Only one of these conferences took place during the time period requested in the letter. None were related to the IRS or its employees.

In an accompanying letter, the Assistant Secretary for Legislative Affairs assured me that the agency was "keenly aware of the need to safeguard limited taxpayer resources," and highlighted several steps the agency was taking to cut back on conference costs.

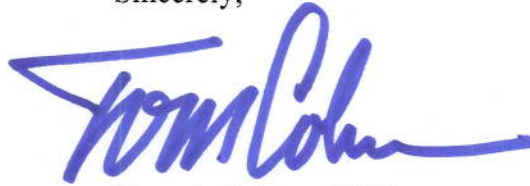
Recent news reports indicate that the IRS, the largest component of the Department of Treasury, spent some \$50 million on hundreds of conferences over the same three year period as the letter request. This information appears to be very relevant to the initial request, but we did not receive it.

In light of these reports, it appears that the response provided by Treasury was inaccurate and incomplete. It did not include any information regarding the Internal Revenue Service (IRS), while we now understand IRS spent \$50 million on conferences during this time period.

I have attached my initial letter for your review. In light of recent events, I request your department re-examine its files and ensure that it has shared with me all data responsive to my initial request.

Additionally, I am referring this matter to the Treasury Inspector General for Tax Administration (TIGTA) to review why the IRS conference data was omitted from the response.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Coburn". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tom A. Coburn, M.D.
Ranking Member

United States Senate

Senator Tom Coburn, MD

April 16, 2012

VIA U.S. MAIL & EMAIL (Alastair.Fitzpayne@treasury.gov)

The Honorable Timothy F. Geithner
Secretary of the Treasury
U. S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Mr. Secretary:

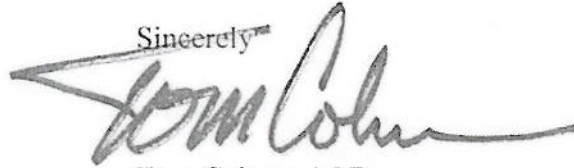
Between 2000-2006, the federal government spent more than \$2 billion on government conferences. As part of an effort to learn more and to update information about these ongoing costs, please provide me with the following information for Fiscal Years 2010, 2011 and 2012:

- (a) Total cost of agency travel related to conferences (including but not limited to *per diems*, airline tickets, hotel rooms, and car rentals);
- (b) The number and a full listing of all conferences attended by your employees during each fiscal year, including the conference title, the location, date, and number of employees who attended;
- (c) The number and full listing of conferences that received assistance or support from the agency noting whether the agency was (1) the primary host, (2) a sponsor, or (3) provided support other than attendance. Please include the number of non-federal employees who attended whose costs were covered by the agency, the name of the primary conference sponsor, and the total cost to the agency for each conference hosted and sponsored by the agency or attended by agency staff (including staff salaries, travel, lodging, sponsorship, other related costs), and list the contract numbers for all contracts awarded in support of each conference listed;
- (d) Total number and cost of trips related to conference scouting during each fiscal year; and
- (e) The number and a list of grant programs administered by the agency that require recipients to attend conferences and the total cost for such mandatory conference attendance for each program.

In addition, please provide complete description of how your agency compiled this data. Also, provide any new guidance on conferences and travel issued since the start of FY2012, including copies of official memorandum.

Please provide this information in hard copy and electronic and searchable format to Kathryn Edelman on my staff. Please contact Kathryn at 202/224-7496 or Kathryn_Edelman@hsgac.senate.gov if you have any questions. I look forward to getting a response no later than May 15, 2012.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Coburn". The signature is fluid and cursive, with a large initial "T" and "C".

Tom Coburn, M.D.
U.S. Senator



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

ASSISTANT SECRETARY

May 25, 2012

The Honorable Tom Coburn
Ranking Member
Permanent Subcommittee on Investigations
Committee on Homeland Security and Governmental Affairs
United State Senate
Washington, DC 20510

Dear Senator Coburn:

I am writing in response to your letter requesting materials about government-funded conferences and travel costs. Your letter raises important issues related to the expenditure of funds and the stewardship of public money. As the agency responsible for managing the finances of the federal government, we are keenly aware of the need to safeguard limited taxpayer resources.

As a department, we have taken care to be judicious in expenditures on travel and meetings. Indeed, over the last several years, we have instituted a number of new policies and technologies that have significantly reduced travel- and conference-related costs. As a result, travel costs in FY 2012 Q1 were 40 percent below the same expenses for FY 2010 Q1. Improvements include:

Training-related travel. In an effort to lower training costs, Treasury has migrated a significant number of learning programs online, which has helped to significantly reduce travel expenses in recent years. Ongoing in FY 2012, we are seeking additional savings by eliminating redundant trainings and consolidating online training contracts.

Conference-related travel and expenditures. After the Office of Management and Budget (OMB) issued guidance on conference-related travel and expenditures (M-11-35) in September 2011, Treasury updated all policies, procedures, and controls on employee conference attendance and on planning and hosting conferences. These policies require travel-approving officials to ensure that efforts are made to decrease travel to conferences or meetings by having staff participate, if possible, via teleconferencing, videoconferencing, or webcast. Furthermore, where possible, staff in the region where a conference is hosted are responsible for advancing the event in order to keep travel costs for other staff to a minimum. These policies are enclosed.

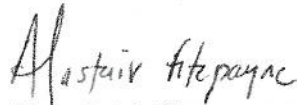
Since M-11-35 was implemented, the Deputy Secretary has continued to approve any meeting, retreat, seminar, symposium, or similar event hosted by a Treasury office that involves attendee refreshments, meals, mementos, or travel, regardless of dollar amount.

Premium-class travel. In 2008, after a government-wide Government Accountability Office audit finding improper, abusive, and wasteful expenditures on premium-class (first and business) travel by several agencies during the time period of July 1, 2005, through June 30, 2006, and the subsequent issuance of a guidance memorandum from OMB, Treasury tightened the approval process for use of premium-class travel. Spending related to premium-class flights has been reduced by 50 percent since FY 2009. The Department continues to monitor premium-class travel and expects to see further decreases.

In addition, Treasury is already in the process of conducting the review dictated by further OMB guidance issued on May 11, 2012 (M-12-12). As you can see by our current policies, we are already in compliance with most of the requirements of M-12-12, and expect to be in full compliance within the time frames dictated therein.

Please do not hesitate to contact me if you need any additional data or have questions about the enclosed information.

Sincerely,



Alastair M. Fitzpayne
Assistant Secretary for Legislative Affairs

Enclosures

Treasury Departmental Offices Overnight Conferences (1/1/2005 - 6/1/2012)
 Attended by 50 or more Treasury Staff

Conference Title	Location City	Location State	Location Facility Name	Start Date	End Date	Total Conference Attendees*	Total Costs	Contract ID Numbers	Websites
Community Development Financial Institutions Fund - Capital Magnet Fund	Washington	DC	Department of the Treasury	5/25/2010	5/25/2010	50	\$12,137.90	Unavailable	None
Community Development Financial Institutions Fund - New Markets Tax Credit Readers Meeting	Washington	DC	Mariott Key Bridge	5/18/2009	5/21/2009	100	\$48,785.47	Unavailable	None
Continuity of Operations Plan Exercise	Martinsburg	WV	Holiday Inn Martinsburg	6/15/2009	6/19/2009	150	\$1,960.00	Unavailable	None
U.S.-China Strategic Economic Dialogue IV**	Annapolis	MD	Annapolis, MD	6/16/2008	6/18/2008	300	\$391,336.74		None
Tax Reform Panel Meeting	Washington	DC	Renaissance Hotel	10/11/2005	10/11/2005	175	\$4,601.53	Unavailable	None

*Not all attendees at these conferences were Treasury staff

**The SED (now the S&ED) is the primary dialogue between the U.S. and China on an array of issues including investment, trade, economic growth, and global rebalancing. It is held once or twice a year and alternates venue between the U.S. and China. All S&ED conferences held in the U.S. since June, 2008, have been held in Washington, DC

Individuals Employed by Department to Plan Events
Director, Conference Events and Meeting Services
Deputy Director, Special Events and Conferences