



Travel Policy Review

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National Travel Forum
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Reshaping the Defense Travel Enterprise through Results-Oriented Innovation



Agenda

- Travel Policy Review Overview
- PCS Travel Policy Review
- TDY Travel Policy Review
- Next Steps

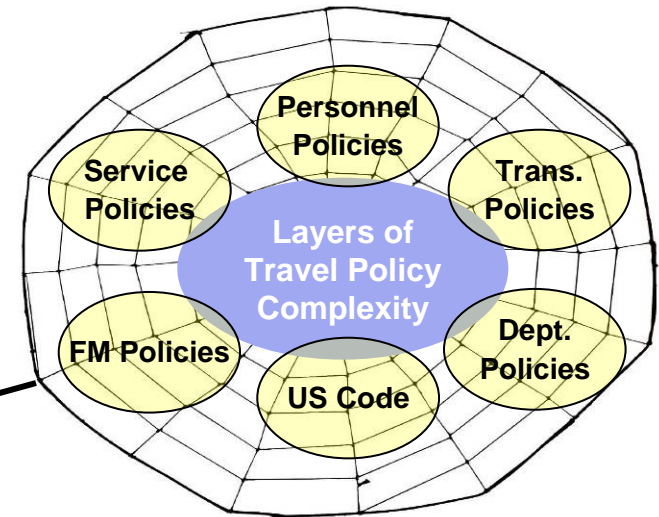


Conduct a Travel Policy Review

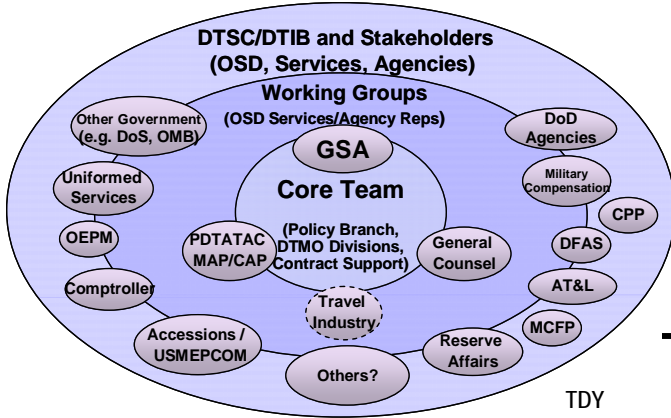
Relevant, consistent, and understandable

Serve as the DoD Center for Travel Excellence
Provide Commercial Travel Policy Guidance to DoD

- **Travel Policy Complexity**
 - Policies are developed by multiple agencies
 - Collection of outdated, situational laws
- **Accomplishments**
 - ✓ Special Circumstance Travel Workshop held in April 2007
 - ✓ Permanent Duty Travel Workshop held in July 2007
 - ✓ Formed partnership with GSA
 - ✓ Department of State participating
 - ✓ TDY Workshop held in January 2008
 - ✓ 7 proposed legislative initiatives

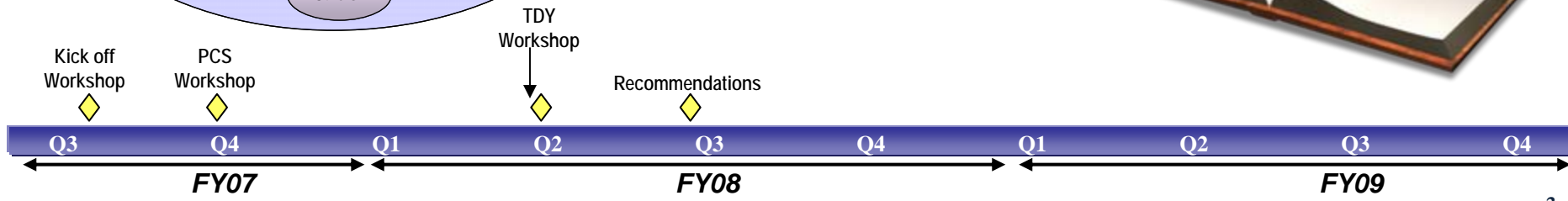
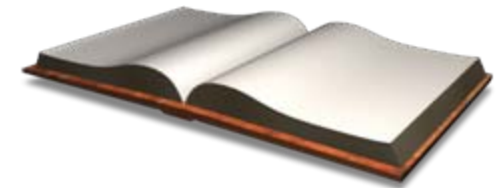


Review by policy representatives



Recommendations made

Simple, relevant, effective policies



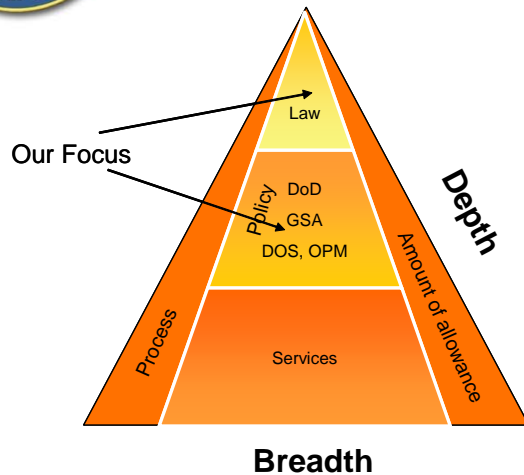


Travel Policy Review Objectives

- Consolidate, streamline travel policies
- Identify and recommend:
 - Statutory or regulatory changes to current travel policies for Federal civilians and military
 - Implementation strategies/plans
 - Travel regulations similar in structure and content as possible, while still complying with any statutory differences
 - Policies that remain distinct for civilians/military
 - Best practices to be applied to federal travel
 - Obsolete policies that may be eliminated



Overall Project Approach



Identified areas for review →

- Special Circumstances
- PCS
- TDY
- Training/School
- Medical
- Leave
- Accession/Separation
- Dependents
- Others (e.g., local travel)

- Review current policies
 - Identify and document policy and source (law, GSA, DOS, DoD, etc)
 - Assess against criteria
 - Develop options
- Conduct workshop
 - Vet results; get SME input
- Develop recommended policy and/or legislative changes and implementation plan

Iterative Process



Guiding Principles

- Don't be constrained by "as is" when reviewing current policies, allowances/entitlements
- Treat travelers as prudent professionals who will act in good faith to minimize overall cost to DoD
- Establish allowances that fairly and equitably reimburse reasonable expenses (i.e., 90% solution)
- Establish allowances understandable to the traveler and easy for DoD to administer efficiently (i.e., automated processing in DTS; timely delivery of entitlements)
 - Simplify allowances/entitlements
 - Establish categories of "movement situations"
 - Educate travelers
- Evaluate policy options in light of DoD mission impact
- Ensure allowance doesn't create "unintended consequence" (e.g., incentive to delay by pre-set "proceed time")
- Acknowledge "one size doesn't fit all" and allow flexibility to meet unusual circumstances (e.g., waivers)



Evaluation Criteria

Does the policy support the travelers' needs?

Does the policy support DoD's needs?

	Is the policy easily understood?
	Does the policy treat the traveler as a responsible professional?
	Is traveler fairly reimbursed for expenses?
	Are we treating travelers comparably?
	Does the policy support DoD mission? Is it relevant?
	Is the policy cost-effective?
	Should this be a stand-alone policy?



PCS Travel Strategic Analysis

- **Departure**

- HHG
- POV
- Current residence
- Temporary housing

- **Enroute**

- Per diem
- Transportation

- **Destination**

- Finding housing at new location
- Temporary housing
- Move in expenses

- **Relocation Allowances**

- Get member/employee, their families, and belongings from one place to another with the least disruption to the mission
- Fairly reimburse member/employee for needed expenses



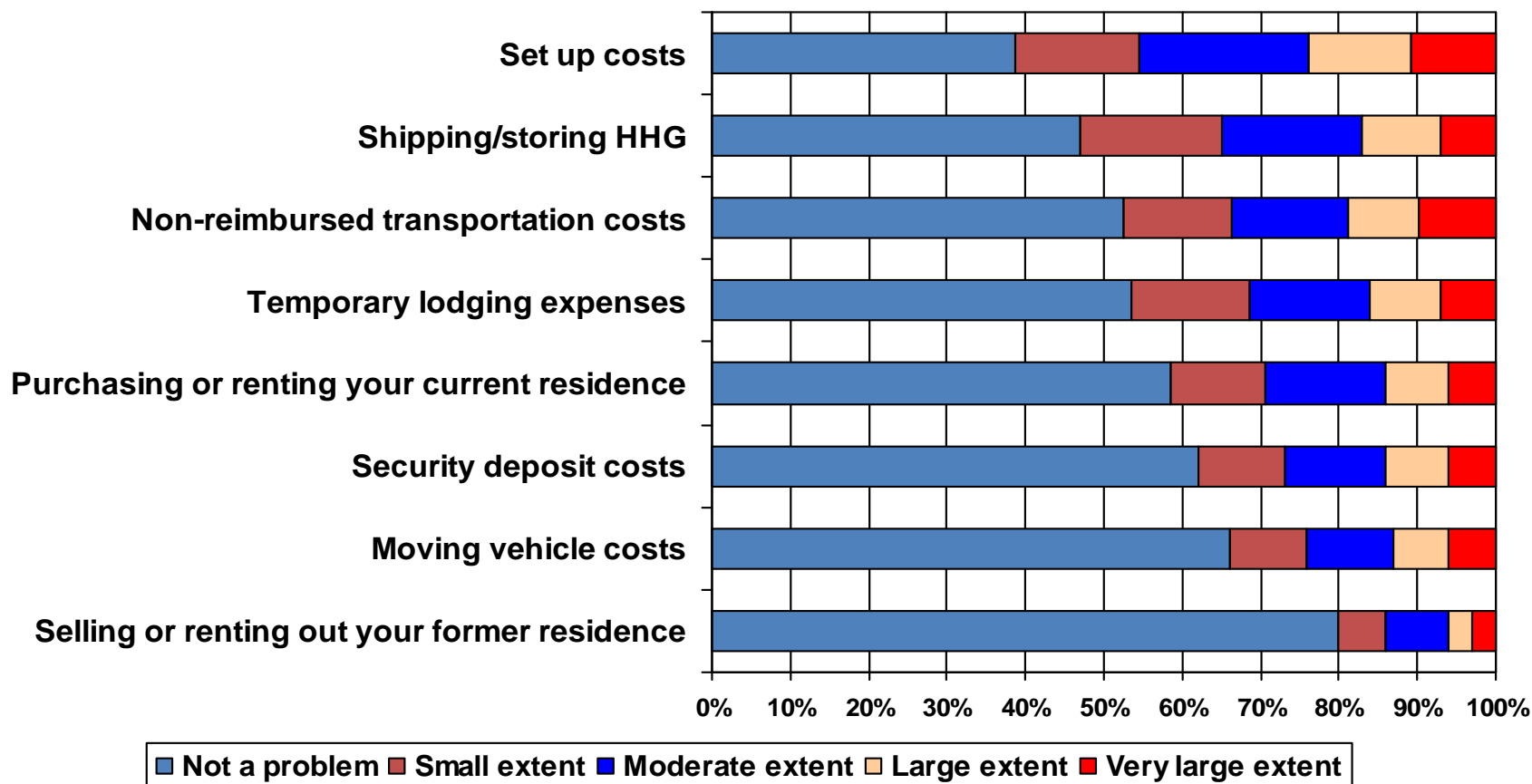
PCS Travel Policy Review

- PCS workshop observations
 - PCS can be significant cost driver for Services
 - Differences between military and civilian travel will continue to exist
 - OCONUS travel presents unique challenges (e.g., customs, SOFA)
 - Allowances not always tied to logical index
 - Currently no centralized collection of PCS related data
 - Complicated policy directives, entitlements not understood by field implementers or travelers



Dec 2005 Status of Forces Survey

For your most recent PCS move, to what extent were the following a problem?





PCS Vision

Current Policy	"To Be" Policy
<ul style="list-style-type: none">• HHG based on grade	<ul style="list-style-type: none">• HHG based on dwelling
<ul style="list-style-type: none">• Rigid complicated HHG movement rules	<ul style="list-style-type: none">• Flexible HHG rules with cafeteria options
<ul style="list-style-type: none">• Lodging - various complicated rules	<ul style="list-style-type: none">• Lodging - based on unified set of standards
<ul style="list-style-type: none">• One POV	<ul style="list-style-type: none">• POV Options
<ul style="list-style-type: none">• Complicated allowances	<ul style="list-style-type: none">• Simplified allowances that meet intent



HHG Weight Allowance

- **Situation:** Do not reflect the way members accumulate HHGs; allowances codified in law restricts SecDef flexibility. (Ex. An E9 w/o dependents receives less HHGs than an O2 w/dependents though the E9 likely has 20+ years of Service versus 3 years for the O2)
- **Resolution:** Change 37 USC to allow SecDef to determine weight allowances.
- **Rationale:** Allows SecDef flexibility to better assign weight allowances reflective of how members accumulate HHG. An option is to align weight allowances to fit BAH profiles.

	Profile		Realigned weight allowance (no decrease;w/sliding scale)		Delta (no decrease;w/ sliding scale)	
	With Dependents	Without Dependents	With Dependents	Without Dependents*	With Dependents	Without Dependents*
Officer						
0-10 to 0-6	4 br SFD	3 br SFD	18,000	18,000	0	0
0-5/W -5	4 br SFD	3 br TH	17,500	16,000	0	0
0-4/W -4	3 br SFD	3 br TH	17,000	15,000	0	1,000
0-3/W -3	3 br TH	2 br TH	14,500	13,000	0	0
0-2/W -2	2 br TH	2 br APT	13,500	12,500	0	0
0-1/W -1/Service Academy Graduates	2 br TH	2 br APT	12,000	11,000	0	1,000
Enlisted						
E-9	3 br SFD	2 br TH	17,000	15,000	2,000	2,000
E-8	3 br TH	2 br TH	14,500	13,000	500	1,000
E-7	3 br TH	2 br APT	14,000	12,500	1,000	1,500
E-6	3 br TH	2 br APT	13,500	12,000	2,500	4,000
E-5	2 br TH	1 br APT	13,000	12,000	4,000	5,000
E-4	2 br APT	1 br APT	8,000	7,000	0	0
E-3 to E-1	2 br APT	1 br APT	8,000	7,000	0	2,000

*90% of w/dependents

- **Impact:** No immediate costs resulting from legislation. Likely short term increases when/if SecDef uses authority to revise weight allowances.
- **Pros:** Provides the flexibility to set HHG weight allowances to more accurately reflect member needs.
- **Cons:** Potential future short term cost increases; potential decreased entitlements for some members unless implemented with a grandfathering provision.
- **Recommendation:** Support change; No cost at this time. Proposal seeks legislative authority only. Recommend additional study to assist SecDef set appropriate weight allowances and determine cost impacts.



HHG Weight Allowance - Cost Sharing

- **Situation:**
 - Current law allows SecDef to pay a member a percent of savings resulting when total weights of member’s baggage and household effects shipped/stored are less than the average weight for grade, dependent status
 - Law - SecDef will annually determine the average weights
 - Provision has never been implemented
- **Resolution:** Change cost savings trigger in 37 USC to target weight based on factors set by SecDef.
- **Rationale:** Average weights are hard to figure and will change each year. Target weights (e.g., percentage of HHG allowance) more consistent and easier to calculate.
- **Impact:** Unknown; need to conduct pilot test to better estimate impact.
- **Pros:** Provides incentive to reduce HHGs; rewards members who do; may result in cost savings.
- **Cons:** May result in cost increase.
- **Recommendation:** Change law from average weight to target weight set by SecDef and implement test program.

	Profile		Profile weight	
	With Dependents	Without Dependents	With Dependents	Without Dependents
Officer				
0-10 to 0-6	4 br SFD	3 br SFD	15,000	12,000
0-5/W-5	4 br SFD	3 br TH	15,000	10,500
0-4/W-4	3 br SFD	3 br TH	12,000	10,500
0-3/W-3	3 br TH	2 br TH	10,500	7,000
0-2/W-2	2 br TH	2 br APT	7,000	5,000
0-1/W-1/Service Academy Graduates	2 br TH	2 br APT	7,000	5,000
Enlisted				
E-9	3 br SFD	2 br TH	12,000	7,000
E-8	3 br TH	2 br TH	10,500	7,000
E-7	3 br TH	2 br APT	10,500	5,000
E-6	3 br TH	2 br APT	10,500	5,000
E-5	2 br TH	1 br APT	7,000	3,000
E-4	2 br APT	1 br APT	5,000	3,000
E-3 to E-1	2 br APT	1 br APT	5,000	3,000



POVs Authorized as HHGs

- **Situation:** Executive Order 10614 currently prohibits automobiles from shipment as part of HHGs.
- **Resolution:** Allow automobiles to be shipped within weight allowance limits, similar to current rules for boats.
 - Members pay additional handling fees
- **Rationale:** Adds an option/flexibility for members to manage their move. Selling a car can result in out of pocket expense to member.
- **Impact:** May result in increased HHG costs if members currently shipping significantly under weight allowance; if used as trade-off with current HHGs, will not result in cost increase.
- **Pros:** Provides flexibility for member; decreases out of pocket costs.
- **Cons:** Possible cost impact; estimated at \$9M.
- **Recommendation:** Change law; track usage of entitlement to determine use and cost impact.



Temporary Housing Time Limits

- **Situation:** Time length for entitlements vary significantly between uniformed/civilian personnel and CONUS vs OCONUS PDS

Category	Entitlement	Law	CONUS (maximum # of days)	OCONUS (upon arrival/prior to departure)	Proposed maximum days
Uniformed	TLE	37 USC 404a	5 (if going OCONUS) 10 (if going CONUS)		10; extended up to 30 additional (local approval); up to 60 additional (Agency/designee approval)
	TLA	37 USC 405		60/10	
Civilian	TQSE(F)	5 USC 5724a	30		No change at this time.
	TQSE(AE)		60; extended up to 120		
	TQSA	5 USC 5923(a)		90/30	

- **Resolution:** Standardize time limits to initial 10 day authorization, extension (local approval) up to 30 **more days**, additional up to 60 days (agency head or designee) for all PDT moves
 - Amend 37 USC 404a(c) to allow extensions for uniformed personnel (current statutory limit is 5 days OCONUS/10 days CONUS)
- **Rationale:** Simplifies and standardizes between CONUS and OCONUS moves
- **Impact:** Approximately \$15M annually
- **Pros:**
 - Allows flexibility for extending time lengths for uniformed personnel
 - Simplifies entitlements by standardizing 10 days as the normal length for military, despite location of PCS
- **Cons:** Increased cost (approx \$15M annually)
- **Recommendation:** Support legislative change



POVs from PDS vs Port

- **Situation:** Uniformed members must take POV to Vehicle Processing Center (VPC) to ship and pick up from VPC/port
- **Resolution:** Change policy to allow uniformed members to ship POVs from their PDS if closest VPC > 350 mile round trip
- **Rationale:** Current procedures cause loss of time from work and may cause significant out-of-pocket costs
 - Unless the member is departing from port/VPC to go directly overseas, they must arrange for transportation back to their unit
 - No reimbursement authorized for the car that picks them up (or the plane ticket or rental car with different location drop off fees)
 - No reimbursement for the person who took time off to travel with member to bring them back – likely a family member or friend
 - Transporting vehicle requires time away from station, denying the unit member's services, potentially degrading unit's mission
- **Impact:** Cost of shipping from PDS estimated to be offset by savings in per diem costs for members traveling to port
- **Pros:** Minimizes time away from mission; reduces out-of-pocket costs for members
- **Cons:** Requires SDDC to arrange for shipping capability at installations further than 175 miles from a VPC
- **Recommendation:** Support legislative change



Temporary Housing Reimbursement

- **Situation:** Uniformed members are reimbursed an amount determined by applying prescribed rates to locality per diem rates, but the amount payable per day is capped at \$180
- **Resolution:** Lift the \$180 cap for uniformed personnel
- **Rationale:** Cap can result in out-of-pocket costs by members. Cap is not set to any economic inflation index and is not adjusted to current price levels. Eliminating the cap would ensure that reimbursement would automatically keep pace with travel expenses based upon updated TDY Per Diem rates.
- **Impact:** Estimated \$7M during first year to reimburse those PCSing to locations where Per Diem exceeds \$180
- **Pros:** Ensures uniformed travelers being assigned to high cost areas are not penalized; keeps pace with price levels
- **Cons:** Increased program costs to reimburse those reporting to high cost areas
- **Recommendation:** Support legislative change

	DoD	Army	Air Force	USMC	Navy
57% w/spouse	80,991	25,498	23,319	7,782	24,369
25% move to areas exceed \$180	20,248	6,374	5,830	1,946	6,092
Avg per diem rate exceeding \$180	\$214	\$214	\$214	\$214	\$214
Difference between cap and actual rate	\$34	\$34	\$34	\$34	\$34
10 days being paid difference	\$6,884,210	\$2,167,310	\$1,982,100	\$661,490	\$2,071,380



Authority for Travel and Transportation Pilot Programs

- **Situation:** DoD does not have the capability to test travel and transportation changes prior to implementing Department-wide
- **Resolution:** Request Travel and Transportation Pilot Authority for SecDef
- **Rationale:** Need to have the ability to conduct travel and transportation pilots to champion change and gather supporting data
- **Impact:** No immediate cost. Short-term costs would typically be created for each pilot and vary depending upon pilot. Could result in cost savings or cost reduction by adjusting proposed PCS or TDY changes upon data generated during pilot
- **Pros:** Allows flexibility; allows Department to evaluate proposed PCS and TDY changes based upon data and without inalterable commitment
- **Cons:** Most pilots will incur cost to conduct test; amount dependent upon type of pilot



Proposed Legislative Initiatives

Initiative	Army	AF	Marines	Navy	Total Annual Cost
Allow SecDef to set weight allowances rather than specify in law					No cost
Amend HHG cost sharing program to allow SecDef to set threshold for payment					No cost
2 nd POVs as HHGs	3.3	3.3	.6	1.8	\$9M
Establish standard temporary housing limits incident to PCS (10/30/60)	4.9	4.5	1.5	4.7	\$15.5M
POV from PDS vs. port	(.3)	(.3)	(.1)	(.2)	(\$.9M)
Eliminate \$180 temporary housing reimbursement cap	2.2	2.0	.7	2.1	\$6.9M
Travel Pilot program					No cost
TOTALS	10.1	9.5	2.7	8.4	\$30.5M



TDY Travel Policy Review

- Conducted two-day workshop in January
 - All Services represented
 - Included several OSD offices and DLA, DISA, DFAS and TRANSCOM
 - Reps from OMB, GSA, State, HHS, DHS, HUD, ITC, and Treasury
- Reviewed five major travel policy areas:
 - Transportation
 - Lodging
 - Local travel while TDY
 - Duration of TDY
 - Other
 - Developed issues and options for each area



Scope – TDY Framework

Areas Included

Getting to/from
While at temporary duty location

Transport

Per Diem

Lodging

Approval
chain

Decision
to travel

Orders
issued

Areas Excluded

File
voucher

DTS
ETS

\$\$\$
Amount



TDY Travel Policy Areas - Priorities

- Transportation
 - **Deciding mode of travel***
 - **Determining airline/flight***
 - **Fly America Act***
 - **Accommodation Class***
 - Reimbursement
- Lodging
 - **Making the choice***
 - Reimbursement
- Local Travel while TDY
 - Mode
 - Reimbursement
- Duration
 - Arrival time
 - Travel time to/from TDY
 - **Reimbursement for long-term TDY***
- Other
 - **Meals Reimbursements***
 - **Travel home while TDY***

***Workshop attendee priorities for change/review**



TDY Options – Prioritized “Top 10”*

Option (Policy Area)	Total (DoD/Non-DoD)
Preferred accommodations as practicable, with exceptions (Lodging)	24 (11/13)
Mandatory selection of government contract carriers/schedules/rates with limited exceptions (Transportation)	21 (11/10)
AO/Employee negotiated selection (Transportation)	14 (4/9)
US Flag carrier, when practical (Transportation)	14 (5/9)
Government-wide directed with limited agency supplement (Transportation)	13 (13/0)
Traveler choice to select carrier, schedules, rates based on traveler needs without restriction (Transportation)	0 (0/10)
Reimburse actual expenses (Misc expenses)	10 (3/7)
Most expeditious, cost effective carrier (repeal Fly America) (Transportation)	7 (5/2)
Pro-rated or reduced fixed per diem for long-term TDY (Duration)	7 (1/6)
Full reimbursement (lodging/expenses) regardless of TDY length (Duration)	4 (0/4)

* Out of 21 options in top 8 issues



Strategic Observations

- Temporary duty travel will continue as viable method to conduct agency business
 - Despite budget limitations business travel will continue
 - Did not hear pressure to limit travel
 - Did not hear pressure to employ alternative meeting sources, e.g., electronic meetings etc.
 - Pressure on definition of “permanent” forcing personnel decisions/entitlements to place travelers on “temporary” duty status, e.g., Iraq
 - More likely that the pressure to fit into one category (temporary v. permanent) will continue due to still unforeseen unusual travel situations



Strategic Observations (continued)

- Risk averse policy making
 - Policies developed to cover every scenario
 - List for every miscellaneous expense
 - Government wide regulations have broad audience that requires extensive detail, e.g., traveler and finance community
- Many current TDY policies based on old travel paradigms vs. current/projected travel industry practices – for example:
 - Commercial air travel practices
 - Paying for additional amenities
 - Use of hub cities and connecting flights



Need to Address Competing Interests

<ul style="list-style-type: none">• Federal Travel Philosophy	<ul style="list-style-type: none">• Agency-Specific Travel Philosophy
<ul style="list-style-type: none">• Consistent government-wide regulations to provide equitable travel policies	<ul style="list-style-type: none">• Need to provide agencies flexibility/agility to meet specific, unique mission requirements
<ul style="list-style-type: none">• Central policy development and administration	<ul style="list-style-type: none">• Agency policy development and administration
<ul style="list-style-type: none">• Pressure to centralize support activities	<ul style="list-style-type: none">• Agency staff support realigned to mission support



Need to Address Competing Interests (continued)

<ul style="list-style-type: none">• Policies based on prevailing industry practices	<ul style="list-style-type: none">• Policies based on government travel requirements regardless of prevailing practices
<ul style="list-style-type: none">• Risk averse—cover every possible travel scenario in order to be reimbursed	<ul style="list-style-type: none">• Agency discretion to determine based on travel circumstances and/or prudent travel rule
<ul style="list-style-type: none">• Budget constraints	<ul style="list-style-type: none">• Travel is cost of doing business
<ul style="list-style-type: none">• Forecast policy development	<ul style="list-style-type: none">• Reactive policy development



Therefore....

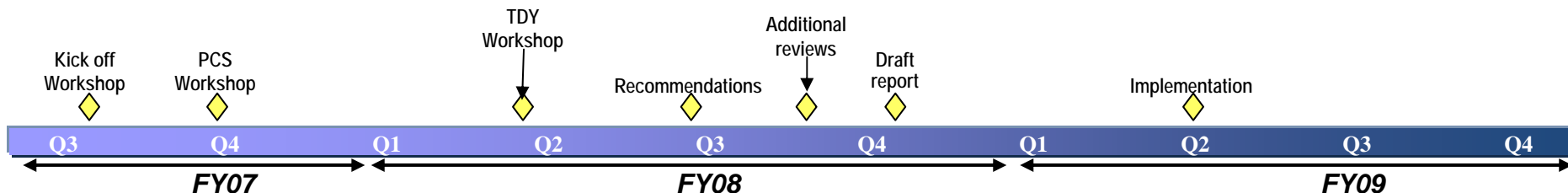
- Competing interests influence policy development and implementation
 - Government wide rules/regulations not easily, quickly changed/modified to respond
 - Travel will remain a necessity
- Not finding many specific TDY tactical issues a problem





Next steps

- PCS
 - Continue to sponsor legislative initiatives
- TDY
 - Develop recommended policy changes
 - Brief Service/agency reps
 - Determine best strategy to effect change
 - DoD or GSA sponsorship
 - DoD/GSA Partnership
- *Conduct additional reviews
 - Local travel, evacuations



*May not require additional workshop