



Office of Inspector General

March 4, 2011

MEMORANDUM

TO: Director, Office of Management Services, John P. Peevey
FROM: Acting Director, Performance Audits Division, Michael W. Clinebell /s/
SUBJECT: Management Letter on Premium-Class Travel by USAID Employees

Based on our work on Premium-Class Travel by USAID Employees, we are transmitting this management letter to communicate the Office of Inspector General's observation and USAID's action to improve the use of premium-class travel.

We appreciate the cooperation and courtesies that your staff extended to the Office of Inspector General. If you have any questions concerning this letter, please contact me at (202) 712- 5348.

Attachment (a/s)

Determining Premium-Class Accommodations for Trainings, Meetings, Workshops and Conferences

The U.S. General Services Administration's Federal Travel Regulation states that with certain limited exceptions, such as a medical disability and exceptional security circumstances, when travelling by air, travelers must use coach-class accommodations for both domestic and international official business travel.¹ Premium-class travel--that is, travel in other than coach-class (e.g., first-class or business-class)--is permitted only when specifically authorized and justified by the agency.

On January 8, 2008, the Office of Management and Budget issued a memorandum to the heads of Federal departments and agencies referring to the high cost of premium-class accommodations and described the importance of having Federal travelers understand Federal travel policies. The memorandum also reminded recipients of the requirements for premium-class accommodations and reinforced the importance of having a clearly defined internal control structure to support those requirements.

The Office of Inspector General conducted work in Washington D.C. and noted that USAID's premium-class accommodation policy for temporary duty travel in the U.S. and abroad does not explicitly prohibit or permit premium-class travel for the primary purpose of training.

To help strengthen USAID's approval and oversight processes for premium-class travel, the Office of Inspector General suggested that USAID update its premium-class accommodation policy to explicitly prohibit premium-class accommodations for temporary-duty travel where the primary purpose of the travel is for the traveler to receive training or instruction.

The Office of Administrative Services agreed with the observation and has revised Automated Directives System Chapter 522, "Performance of Temporary Duty Travel in the U.S. and Abroad," to prohibit premium-class travel for trainings, instructor, meetings, workshops, and conferences. The revised document is currently in the clearance process.

¹ Federal Travel Regulation §301-10.122