DEPUTY SECRETARY OF DEFENSE
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UPR

19 MAR 2004

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR OF FORCE TRANSFORMATION
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Special Interest Item on the Department of Defense Premium Travel Program

To reinforce the corrective actions the Department has instituted in response to the General Accounting Office (GAO) report on the Department's premium travel program (GAO #04-88, October 2003), I recommend you include premium travel (first class and business class) as a special interest item during audits and inspections, and be prepared to institute internal management controls to address this matter in advance of your issuance of the 2004 Statement of Assurance.

GAO found internal control weaknesses in our premium travel program, citing fragmented responsibility between policy and execution that led to improper use. In response, the Under Secretary of Defense (Personnel and Readiness) chartered a multi-agency task force to strengthen procedures, including approval authority for premium class travel. As a result, the Joint Travel, Joint Federal Travel, and appropriate service regulations have been updated. For information purposes, I've attached a fact sheet outlining major changes in premium travel rules.

Certainly, the improper use of premium travel results in an unnecessary additional cost to the taxpayers. In that regard, I appreciate your prompt attention to this matter.

Paul Wolfowitz

Attachment:
As stated

DOD PREMIUM CLASS TRAVEL REQUIREMENTS

JUSTIFICATION FOR THE USE OF PREMIUM CLASS TRAVEL

- **It is Government policy that coach (economy) class travel accommodations will be used for all passenger transportation modes for all official government travel.**
- Premium class travel will only be permitted on an exception basis, when fully justified and approved by the appropriate premium class approval authority, and only for the situations contained in the Joint Federal Travel Regulations (JFTR) and Joint Travel Regulations (JTR).
- Premium class accommodations must be made and authorized in advance of the actual travel unless extenuating circumstances or emergency situations make advance authorizations impossible. If approval is not subsequently obtained, the traveler is responsible for the cost difference.
- **Blanket authorization and justification for use of premium class travel are prohibited.**
- A major policy change is the justification for flights over 14 hours. These flights **do not automatically qualify for use of premium class travel. The traveler must make every effort to schedule his/her travel so he/she has a rest period prior to starting work. A rest period either enroute or at the TDY destination negates use of premium class travel. Premium class travel should be the exception, not the rule, for flights over 14 hours.**

APPROVAL LEVELS

- Officials who may authorize/approve premium class accommodations:
  - First Class:
    - Office of the Secretary of Defense and Defense Agencies: Executive Secretary, with no further delegation.
    - Military Departments: The Secretaries of the Military Departments. Approval authority may be re-delegated to Under Secretaries, Service Chiefs or their Vice and/or Deputy Chiefs of Staff, and four-star major commanders or their three-star vice and/or deputy commanders, and no further.
    - Joint Staff and Combatant Commands: Director, Joint Staff, or as delegated. Re-delegation may be no lower than to the three-star major commanders.
  - Business Class:
    - Officials with authority to authorize/approve first class accommodations, as shown above, are also business class authorization/approval authorities. The business class authorization/approval may be delegated but to no lower than general/flag officers at the two-star level or their civilian equivalents.

Premium class approving officials may not approve their own premium class travel. They must obtain approval from their reporting senior flag officer or civilian equivalent. Approval must be by someone senior to the traveler.

DOCUMENTATION REQUIREMENTS

The approval for premium class travel must be documented by placing a statement on the travel authorization/order that states, at a minimum, the following:

- The class of premium class travel approved, business or first class.
- The Name, Rank and Office Symbol of the approving official.
- The specific paragraph reference in the JTR or JFTR used to justify the premium class travel for the upgrade, which includes specific reference to the condition(s) met from the JTR/JFTR.
- The coach fare and upgraded fare for the premium class portions of the trip.
- Documents used for the approval of this premium class travel are on file in the office of the premium class approval official.

ENFORCEMENT PROVISIONS

- Commanders must ensure that travel offices and CTOs will not issue premium class tickets without the required approval being part of the travel authorization.
- In the event premium class tickets are issued in the absence of proper approval documentation, the traveler is responsible for the excess cost.

REPORTING PROCEDURES/MANAGEMENT OVERSIGHT

- All Department of Defense Components will be required to submit semiannual reports to OUSD(P&R). The report will be due NLT than 30 April and 31 October. Additionally, all Department of Defense components are required to track the use of premium class travel, and will maintain applicable documentation for 6 years and 3 months. At a minimum, the following data must be captured and reported by each premium travel approving official:
  - Total number of premium class trips authorized during the given timeframe broken down by class of service.
  - Total cost to the government of those trips approved.
  - Name, grade and unit of traveler.
  - Approval official.
  - Class of service authorized.
  - Mode of travel (i.e., air, ship, train).
  - Dates of travel.
  - Origin and destination of each leg of the portion of a trip involving premium class travel.
  - Specific purpose of travel and corresponding condition(s) met in the JTR/JFTR.
  - Coach and premium class fares for each portion of a trip involving premium class travel.