

Department of Veterans Affairs

Memorandum

Date: March 29, 2017

From: Acting Assistant Inspector General for Investigations (51)

Subj: Administrative Investigation – Alleged Misuse of Travel Funds, VA Central Office, Washington, DC (2017-00730-IQ-0094)

To: Secretary, Department of Veterans Affairs (00)

Purpose

In November 2016, VA OIG Hotline received an allegation that Mr. Sloan Gibson, VA Deputy Secretary, misused VA travel funds when combining official travel for VA with personal travel to his home state of South Carolina.

Objective, Scope, and Methodology

This investigation focused on the official travel of Mr. Gibson who travels extensively for approved official purposes. We reviewed all of his available travel authorizations, expense vouchers, and receipts for the period October 2014 to November 2016. During this period, he traveled for official purposes on 70 occasions. Of those 70 occasions, we identified 15 trips which involved travel to his home state of South Carolina. We interviewed Mr. Gibson and a VA travel coordinator who works on the team responsible for booking official travel and processing travel vouchers for senior VA employees. We also reviewed Mr. Gibson's individually-billed, contractor-issued Government credit card account (IBA); VA's centrally-billed account (CBA); email; and travel, personnel, and training records. Further, we reviewed relevant Federal laws, regulations, and VA policy.

Results

Mr. Gibson Did Not Misuse VA Travel Funds

While combining personal travel with official travel is permissible under the Federal Travel Regulation (FTR), certain limitations exist. Employees are eligible for payment of transportation expenses when performing official travel, including authorized transportation expenses incurred within the TDY location.¹ However, the agency will not pay for excess costs resulting from circuitous routes, delays, luxury accommodations or services that are unnecessary or unjustified in the performance of official business.² An employee who travels by an indirect route for personal convenience is limited to

¹ 41 C.F.R. § 301-10.1.

² 41 C.F.R. § 301-2.4.

reimbursement for the cost of travel by direct route or on an uninterrupted basis. The employee will be responsible for any additional costs.³ Employees may not use government contract passenger transportation services for personal travel.⁴

According to VA policy, when employees combine personal/unofficial travel, properly prepared travel authorizations help the Department and travelers to determine when to charge for annual leave, when to reimburse travel expenses, and who is financially responsible if a traveler becomes ill or is injured while away from the office.⁵ Reimbursement of expenses shall be based only on such charges as would have been incurred by the usually traveled route unless a different route is approved as officially necessary.⁶ VA's travel system will be used for the official travel route of the temporary duty travel; however, the travel system may not be used for the personal travel route.⁷ "Personal travel" is defined as "an indirect route or interruption of a direct route for personal reasons."⁸ Similarly, common carrier transportation fare for official travel must be charged to the CBA Travel Card while personal travel expenses in conjunction with official travel must be paid by the traveler using personal funds.⁹

VA policy requires that specific procedures be followed in combining personal and official travel. When preparing a travel authorization, employees are required to include the dates of both official and personal travel. Employees then must indicate leave/personal travel dates as appropriate within the per diem entitlements section by excluding those days from per diem. In booking the official travel portion of the trip, employees must select flights using VA's online booking engine. In annotating the personal portion of the trip, employees must select flights from the "Travel Research" module and make a screen print to attach to the authorization in the receipts section. Employees must then enter the amount of personal flights/fare in the "Other Transportation" section in the authorization. In booking their personal flight, employees must make other travel arrangements using commercial means. Once these arrangements are made, employees must save the invoice to attach to the expense report. Reimbursement is limited to the direct one-way YCA fare—a highly discounted unrestricted fare. If there are no contract YCA fares available, the lowest Government unrestricted fare will be used. If the actual cost of the personal portion of the travel is less than the direct one-way YCA fare, the employee will be limited to reimbursement for this lower cost.¹⁰ For purposes of documenting and conducting this analysis, VA policy requires that employees use the below Travel Cost Comparison Worksheet to compare official travel to official/personal travel:

³ 41 C.F.R. § 301-10.8.

⁴ 41 C.F.R. § 301-10.110.

⁵ VA Financial Policy Volume XIV, Ch. 1, p. 9 (May 2013).

⁶ Id. at Ch. 3, p. 48.

⁷ Id. at Ch. 2, p. 6.

⁸ Id.

⁹ Id. at Ch. 2, p. 5.

¹⁰ Id. at Ch. 1, Appendix D.

 Department of Veterans Affairs		PERSONAL TRAVEL IN CONJUNCTION WITH OFFICIAL TRAVEL COST COMPARISON WORKSHEET	
DATE OF COST COMPARISON			
ESTIMATED COST - PERSONAL TRAVEL		ESTIMATED COST - TRAVEL BY COMMON CARRIER TO TDY LOCATION	
TRAVELER'S NAME		TRAVELER'S NAME	
DEPARTURE DATE (mm/dd/yyyy)		DEPARTURE DATE (mm/dd/yyyy)	
ARRIVAL DATE (mm/dd/yyyy)		ARRIVAL DATE (mm/dd/yyyy)	
NOTE: A copy of the personal ticket must be provided.		NOTE: A copy of the Common Carrier Information must be provided.	
PERSONAL AIRFARE DETAILS		COMMON CARRIER DETAILS (Air, Train, Rental Car, Bus, etc.)	
PERSONAL AIRFARE AMOUNT		COST OF COMMON CARRIER	
ESTIMATED EXPENSES (Change and/or update as necessary)		ESTIMATED EXPENSES (Change and/or update as necessary)	
BAGGAGE FEES		BAGGAGE FEES	
TOTAL COST OF ESTIMATED EXPENSES \$0.00		TOTAL COST OF ESTIMATED EXPENSES \$0.00	
REMARKS		REMARKS	
ESTIMATED GRAND TOTAL \$0.00		ESTIMATED GRAND TOTAL \$0.00	
ESTIMATED AMOUNT TO BE REIMBURSED TO TRAVELER			
\$0.00			
THE FOLLOWING PROCEDURES SHOULD BE COMPLETED IN FEDTRAVELER.COM IF:			
1. Enter Travel Mode of the common carrier "Contract Flight, Train, Bus, etc."			
2. Enter the total amount to be reimbursed to Traveler as an Other Expense "Cost Com to Traveler"			
3. Attach this document and all other documents listed above to the Travel Authorization and Expense Voucher			

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This worksheet is then reviewed as the cost comparison by the approving official in determining the proper reimbursement amount.¹¹

VA Policies and Procedures Were Not Followed in Arranging Travel

During our interview with Mr. Gibson, he indicated that his staff and travel office personnel prepare his travel and related vouchers. Our review of his travel records from October 2014 to November 2016 reflected that he sometimes traveled to his home state to participate in an official VA function. On other occasions, we found that he combined official and personal travel, with the trip ending in his home state for personal convenience. In these instances, Mr. Gibson traveled to a TDY location for an official VA purpose. After the TDY concluded, instead of flying directly back to his official duty station, he traveled from the TDY location to his home state. For these instances of travel, he informed us that he directed his staff to use his personal credit card to pay for all personal portions of travel. While we found that Mr. Gibson's personal credit card

¹¹ Id.

was used by his staff to pay for some portions of his personal travel, it was not used to pay for all portions of his personal travel as required by the FTR and VA policy. In addition, we found that certain requirements outlined in the FTR and VA policy were not followed by the travel coordinators in arranging Mr. Gibson's travel as discussed in greater detail below.

a. Lack of Proper Cost Comparison Documentation

As noted above, VA policy requires the use of the Travel Cost Comparison Worksheet when personal travel is combined with official travel. The travel coordinator assured us that cost comparison analyses were completed for every combined official and personal trip Mr. Gibson took; however, she acknowledged that these analyses were not documented on a Cost Comparison Work Sheet as required. The travel coordinator suggested that we contact another travel coordinator on her team who was responsible for arranging Mr. Gibson's travel for other documentation of the cost comparison analyses such as emails. After requesting evidence of the cost comparison analyses from the other travel coordinator, we were provided with various emails and airline fare printouts indicating that a cost comparison analysis was conducted. However, these emails did not cover each instance of travel under review.

b. Use of VA's Travel System and Contract Carriers for Personal Portions of Travel

During our interview with the travel coordinator, she indicated that VA's travel system and contract carriers were used in booking the personal portions of Mr. Gibson's trips so long as their cost comparison analysis reflected that the cost of the personal portion was less than the direct one-way YCA return fare. However, our review of Mr. Gibson's travel records indicates that the VA's travel system and contract airfare were used for personal portions of travel even when the cost of the personal portions of travel exceeded the direct one-way YCA return fare. Regardless of whether the expense for personal travel was more or less than the direct one-way YCA fare, VA policy prohibits using VA's travel system and contract carriers for personal travel.

c. Use of the CBA Travel Card to Purchase Personal Portions of Travel

In paying for Mr. Gibson's personal portions of travel, the travel coordinators should have used Mr. Gibson's personal funds. While we did find certain instances in which his personal credit card was used, we found 9 instances in which the CBA travel card was used to purchase personal portions of travel, due to a lack of understanding of FTR and VA policy as well as process weaknesses within the travel office. In light of this, we conducted a cost comparison analysis for each trip to determine whether the VA paid for excess costs resulting from an indirect route. Based on our review, we found that the VA overpaid Mr. Gibson, but variables exist that may affect our total. For example, we used the direct one-way YCA fare to conduct the cost comparison analysis. We are not aware of whether the YCA fare was available when the travel was booked.

On January 18, 2017, the Executive Travel Coordinator told us that her staff audited Mr. Gibson's travel. They found VA overpaid Mr. Gibson on four occasions, and he owed VA \$1,035.62. In a January 23, 2017, email, the Executive Travel Coordinator provided us a copy of a check signed by Mr. Gibson, a memorandum to the agent cashier, and a breakdown of the \$1,035.62 overpayment. She said "the reimbursement will be applied to the appropriate travel authorization/voucher number accordingly."

Conclusion

We investigated an allegation that Mr. Gibson misused travel funds when combining official and personal travel to his home state. While we found that VA policies and procedures were not always followed in arranging his travel, we did not find any intention on behalf of Mr. Gibson or the travel coordinators to misuse VA travel funds. Rather, we found the lapses in compliance were due to a lack of understanding of FTR and VA policy as well as process weaknesses within the travel office. The travel coordinator acknowledged these weaknesses and assured us corrective action would be taken to resolve these issues. Since Mr. Gibson reimbursed VA, there is no further action needed.



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