



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON DC 20301-1100



INFO MEMO

2003 AUG -06 01 2:01

August 6, 2003, 2:00 PM

FOR: SECRETARY OF DEFENSE
DEPUTY SECRETARY OF DEFENSE

FROM: Dov S. Zakheim *DZ*

SUBJECT: American Society of Military Comptrollers (ASMC)

- The ASMC planned to hold their 2005 National Professional Development Institute (PDI) conference in Hawaii. In the past, the Department has supplied significant support for the PDI because of the excellent training opportunities available to the workforce.
- The American Society of Military Comptrollers is not an officially sponsored organization of the Department of Defense, but they provide excellent training and certification programs for our workforce. Many outstanding Department of Defense employees are members of the ASMC.
- I informed the ASMC (TAB A) that the Department would support DoD-wide training events only when the event is located near major financial management workforces. I recommended to ASMC that they should look into the possibility of holding their PDI in the National Capital Region.
- The Hawaiian delegation (TAB B) has interpreted my letter to ASMC as a change to travel policy. It is not a policy change.



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- Because the vast majority of our financial management workforce resides in the central or eastern part of the United States, it would take more time for them to travel to Hawaii.
- I have not ruled out Hawaii. But I feel that I cannot commit the Department to support the PDI in Hawaii at this time based on the location of our workforce, availability of senior speakers to support such an activity, and the distance to the national training event. In any event, we will continue to support regional training events in Hawaii.
- Members of the Hawaiian delegation may question you on my decision.

COORDINATION: None.

Attachments:

As stated



TAB A





UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON DC 20301-1100



MAY 23 2003

COMPTROLLER

Lieutenant General James F. McCall, U. S. Army (Ret.)
Executive Director
American Society of Military Comptrollers
National Headquarters
2034 Eisenhower Avenue, Suite 145
Alexandria, VA 22314

Dear General McCall:

The Department of Defense supports financial management education and training via the Joint Financial Management Improvement Program (JFMIP). In the interest of economy and efficiency the Department of Defense can support and encourage attendance at national DoD-wide training events, such as the ASMC Professional Development Institute only when those events are conducted in the continental United States (CONUS) at centers of major financial manager populations. The Department will support and encourage attendance at training held outside the continental United States (OCONUS) for regional events benefiting personnel stationed in OCONUS locations or when it is otherwise determined to be necessary to hold training at an OCONUS location.

In addition, OCONUS location for training events makes it more difficult to provide leadership personnel and functional experts from the Services and OSD Staff due to increased travel time.

I would recommend the Society look into the possibility of a Professional Development Institute (PDI) in the National Capital Region. This location would allow maximum participation not only from the leadership and functional experts, but also the many thousand government employees in this area.

Sincerely,

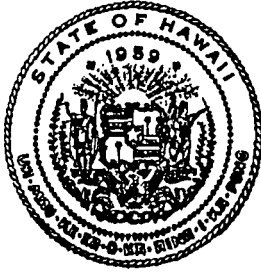
Dov S. Zakheim



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TAB B





Hawaii Tourism Authority

Hawaii Convention Center, 1801 Kalakaua Avenue, Honolulu, Hawaii 96815
Website: www.hawaii.gov/tourism

LINDA LINI
Gov
REX D. JOHNS
President & Chief Executive C
Telephone: (808) 973-2
Fax: (808) 973-2

May 30, 2003

Senator Daniel K. Inouye
United States Senator
U.S. Senate
722 Hart Senate Office Building
Washington, DC 20510-2201

03 JUN 12 AM 11:42

Dear Senator Inouye:

The American Society of Military Comptrollers (ASMC) has recently informed the Hawai'i Convention Center that it intends to cancel its 2005 meeting in Hawai'i. The reason cited for this cancellation is a Department of Defense directive stipulating that it will only support meetings and training forums for financial management if these meetings are held inside the continental United States (CONUS).

As you can imagine, the Hawai'i Tourism Authority, the Hawai'i Convention Center, Hawai'i hoteliers and everyone in the state who considered this event to be a confirmed booking are shocked that the DOD would issue such a policy. Hawai'i has worked very hard to earn its convention business, proving time and again that it can compete effectively with meetings facilities on the mainland. For DOD to make a blanket assumption that meetings outside of CONUS are necessarily more expensive than mainland alternatives is simply unfair. We are especially concerned that, since this directive comes from an official government agency, the DOD decision sends a signal to other potential customers of the Hawai'i Convention Center that Hawai'i is "too expensive" as a meeting destination. That is untrue and it is potentially very damaging to the reputation that we have worked so hard to establish.

Apart from the economic merits of holding a meeting in Hawai'i, it seems natural for an organization such as the Military Comptrollers to meet in a state where the military is such a large part of the economy. With strong support from Hawai'i's congressional delegation, the military infrastructure in Hawai'i has grown and evolved to the point where it is, indeed, a center of excellence that can be a model for the entire military system.

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Senator Daniel K. Inouye
May 30, 2003
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Hawai'i won the bid to host the ASMC 2005 meeting based on the economic package that we offered the organization in a fair review. To lose this business because of a misguided rule that unfairly makes Hawai'i a second-class state because of our location would be patently unfair. I hope that you will urge the Department of Defense to rescind this unfair policy.

Thank you for your tireless support for Hawai'i, its tourism industry, and its military infrastructure.

Aloha,


Rex Johnson
President & CEO

cc: Honorable Linda Lingle, Governor



U.S. House of Representatives
Washington, DC 20515-1102

June 12, 2003

The Honorable Dov S. Zakheim
Under Secretary of Defense (Comptroller)
Department of Defense
1100 Defense, The Pentagon
Washington, D.C. 20301-1100

Dear Mr. Zakheim:

I am informed that the Department of Defense (DoD) recently directed the American Society of Military Comptrollers to relocate its already-scheduled 2005 National Professional Development Institute from Hawai'i to somewhere in the continental U.S. If accurate, I urge you in the strongest terms to reconsider the DoD's recommendation and modify its policy of supporting conventions only in the continental U.S.

As you well know, Hawai'i serves as the center of America's military presence in the Pacific. It is the home of U.S. Pacific Command, U.S. Pacific Fleet, U.S. Army Pacific Command, and U.S. Pacific Air Forces. Military personnel from the National Capital Region can maximize any trip to Hawai'i by arranging visits with individuals stationed in Hawai'i who do not have the opportunity to travel to Washington, D.C. on a regular basis.

Additionally, Hawai'i's is a first-class business convention destination. Hawai'i has more than 70,000 hotel rooms on six islands, and with more than 30,000 rooms on the Island of O'ahu alone, meeting organizers are often surprised at the exceptional values they will find in hotel accommodations. Moreover, under government rates, travel to Hawai'i from the East Coast is not substantially more expensive than travel to the West Coast.

Finally, security concerns may not be cited as a reason for any outright policy of exclusion. Hawai'i is equally if not more safe and secure than any other convention site in the U.S.

I very strongly urge you to reconsider your recommendation, support the American Society of Military Comptrollers' proposal to hold its annual National Professional Development Institute in Hawai'i, and remove any Hawai'i exclusion, formal or informal, from any DoD policy. If you decide not to do so, please provide me with special justification for the travel / convention policy.

With aloha,



ED CASE
United States Congressman
Hawai'i, Second District



DANIEL K. AKAKA
HAWAII

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United States Senate

WASHINGTON, DC 20510-1103

June 18, 2003

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Honorable Powell Moore
Assistant Secretary of Defense
U.S. Department of Defense
The Pentagon, Room 3E966
Washington, DC 20231

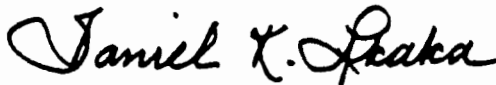
Dear Mr. Moore:

I am writing to request information regarding the Department of Defense's (DOD) support for financial management education and training.

I am concerned by the information contained in the attached correspondence regarding the decision of the American Society of Military Comptrollers (ASMC) to cancel its 2005 meeting in Hawaii based on DOD's determination that it can only support national DOD-wide training events, such as the ASMC Professional Development Institute, if such events are conducted in the continental United States (CONUS). It is my understanding that Hawaii won the bid to host the ASMC 2005 meeting based on the economic package it provided for this event.

I would appreciate an further clarification of this policy, including the recommendation that the conference be held in the National Capital Region. I look forward to your response.

Aloha pumehana,



DANIEL K. AKAKA
U.S. Senator

Enclosure

SECRETARY OF DEFENSE



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United States Senate

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JAMES W. MORHARD, STAFF DIRECTOR
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June 24, 2003

**The Honorable Dov Zakheim
Undersecretary, Comptroller
Department of Defense
100 Defense Pentagon
Washington, D.C. 20301-0001**

Dear Undersecretary Zakheim:

We are writing to express our deep concern about the new employee travel regulations issued by your department on May 23, 2003, that state the Department of Defense (DOD) may support and encourage attendance at national DOD-wide training events only when such events are conducted in the continental United States. Specifically, the new policy provides that DOD “will support and encourage attendance at training held outside the continental United States (OCONUS) for regional events benefitting personnel stationed in OCONUS locations or when it is otherwise determined to be necessary to hold training at an OCONUS location.”

It is difficult to understand why an agency of the federal government should be treating Alaska and Hawaii as foreign countries when these states play such an important role in our national defense. The successful efforts of the DOD in Alaska and Hawaii hinge on the collaborative relationships the DOD has with our state and local entities—whether government, non-profit, or for-profit—that implement these programs on the ground level. The programmatic goals of the DOD may be hindered if these rules are allowed to stand. Whether it is for training, for conventions, for monitoring, or to provide the technical assistance, DOD employees need to be able to travel to the local agencies and grant recipient sites to facilitate the smooth operation of programs and ensure the fulfillment of their mandates.



The Honorable Dov Zakheim

June 24, 2003

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This issue is critical because all citizens of this country must be treated equally with regard to matters involving our national security. We respectfully request that you reconsider the travel regulation and rescind it and the travel policy updated on May 23, 2003, for non-continental U.S. American jurisdictions.

Sincerely,



TED STEVENS

Chairman

Subcommittee on Defense



DANIEL K. INOUYE

Ranking Member

Subcommittee on Defense

