

# GAO Highlights

Highlights of [GAO-23-106945](#), a testimony before the Subcommittee on Cybersecurity, Information Technology, and Government Innovation, House of Representatives

## Why GAO Did This Study

DOD spends billions of dollars each year to maintain and operate business processes and programs intended to support the warfighter, including DTS—the system used to manage travel by DOD personnel.

This testimony summarizes GAO's past work related to challenges in DOD's management of its defense travel program as well as broader business processes. Specifically, this testimony (1) summarizes GAO's prior work evaluating DOD's efforts to implement DTS and limit improper payments made via DTS; (2) highlights three key high-risk areas related to DOD's efforts to transform business operations, such as its travel pay program; and (3) discusses leading practices that GAO has identified to help agencies and Congress assess agency reform efforts.

## What GAO Recommends

In prior work on which this testimony is based, GAO has recommended actions to help DOD improve key aspects of its travel management and business processes. While DOD has implemented many of these recommendations, taking action to implement the remaining recommendations would help DOD strengthen its department-wide business processes and the systems used to support those processes.

View [GAO-23-106945](#). For more information, contact Elizabeth Field at (202) 512-2775 or [FieldE1@gao.gov](mailto:FieldE1@gao.gov).

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## DEFENSE MANAGEMENT

### DOD Challenges with Travel Programs and Business Process Reforms

#### What GAO Found

The Department of Defense (DOD) has faced challenges managing the Defense Travel System (DTS), its primary system to process most travel payments for service members and civilian personnel. Going back almost two decades, GAO has reported on problems with DTS and DOD's travel pay program. Specifically:

- In 2006, [GAO reported](#) on a lack of reliable estimates for the cost savings expected from implementing DTS, functional flaws such as improperly displaying flight information, and that DOD was struggling to effectively integrate DTS with other business systems.
- In 2019, [GAO reported](#) that DOD could do more to reduce improper payments—those that should not have been made or were paid in an incorrect amount—in its defense travel program. Some of the issues that GAO identified in 2019 were tied to DTS limitations. For example, officials responsible for reviewing and approving travel vouchers could not view receipts that travelers had submitted.
- In 2021, [GAO reported](#) that DOD officials were not consistently confirming whether travelers were staying in on-base lodging in accordance with established policy, and mistakenly reimbursed those who chose off-base lodging—another potential instance of improper payments.

While DOD has implemented most of GAO's related recommendations, DOD's Office of Inspector General recently reported that DOD was not in compliance with requirements for reporting improper payments for the 12th consecutive year, including as a result of issues associated with the DOD travel pay program. Defense officials also have stated that DTS is inefficient.

DOD has been working since 2017 to modernize and improve travel within the department and, in 2018, announced a reform initiative to replace DTS with a new system. However, after awarding a contract for up to \$374 million to develop the new system, called MyTravel, and requiring some DOD organizations to begin using it, DOD reversed that decision, raising questions about its ability to effectively implement business process reforms.

GAO's [High-Risk List](#) has maintained a long-standing focus on three key areas for DOD's business operations: (1) DOD's approach to business transformation, (2) DOD business systems modernization, and (3) DOD financial management. GAO's work in these areas has identified deficiencies that contribute to DOD's difficulties in improving business operations—including replacing older systems, such as DTS. For example, GAO found that DOD has stalled in developing an action plan for business systems modernization even though the department has been unable to receive an audit opinion on its financial statements.

In reviewing DOD's attempt to overhaul DTS, Congress and the department could look to a set of leading practices that GAO identified in 2018 to help guide assessments of agency reform efforts. These leading practices cover four broad categories—(1) goals and outcomes of reforms, (2) process for developing reforms, (3) implementation of the reforms, and (4) strategic management of the federal workforce—and offer a roadmap for learning from DOD's reform initiative.